

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Regular Meeting  
Board of Directors  
Thursday, August 22, 1985  
District Board Room  
425 South Main Street  
Los Angeles

Called to order at 1:08 p.m.

Directors Present:

Nick Patsouras  
John F. Day  
Norman H. Emerson  
Carmen A. Estrada

Marvin L. Holen  
Leonard Panish  
Jay B. Price  
Charles H. Storing

Directors Absent:

Jan Hall  
Nate Holden

Gordana Swanson

1. Presented Certificates of Merit to:
  - a. Maria Sanchez, Information Operator-of-the-Month;
  - b. Leonard Bevelle, Maintenance Employee-of-the-Month;
  - c. Rafael M. Murillo, Operator-of-the-Month;and presentation of plaques by Director Emerson.
  
2. Presentation of Certificate of Appreciation to the Plaza Pasadena Shopping Center by Director Storing.



7. Director Special Items

Director Day inquired as to the status of the negotiations on the Seventh & Figueroa Station. Mr. Dyer responded that the District has filed the initial eminent domain proceedings. The proposal that was submitted by Ahmansen Corporation could not withstand an engineering review. A second proposal submitted by the firm also was not adequate. A development proposal was also received and rejected at the staff level because it offered major benefits to the owner of the property but it did not share any of the benefits. Staff has suggested that a developmental proposal similar to the agreement between the District and May Co. would be considered. During discussion Director Holen suggested that the District follow the parallel course of eminent domain proceedings while negotiating.

Director Emerson asked if any issues came out of the California Transportation Commission meeting last week. Mr. Dyer reported that the workshop meeting held in Los Angeles involved the CTC and the LACTC. The District presented information on the bus service and the portion of the rail plan involving the Metro Rail line. Mr. Dyer indicated the CTC Commissioners have a good regional perspective on what is needed in this area. The conclusion is that the CTC would like the LACTC to establish a set of priorities. The CTC again demonstrated their support for the Metro Rail Project.

CUSTOMER RELATIONS & PUBLIC INFORMATION COMMITTEE REPORT  
(Items 8-11)

8. Received and Filed report on accomplishments of the Operation Teamwork program, including highlights of the annual Poster/Essay Awards Reception and the second annual Thomas G. Neusom Memorial Awards.

UNANIMOUS

9. Received and Filed the report on "Positive Imagery," the first annual report of FY 85 activities and accomplishments of the Community Relations Department.

UNANIMOUS

10. Received and Filed report on the District's participation in the City of Los Angeles' Summer Youth Employment Program.

UNANIMOUS

11. Authorized the General Manager to execute a contract with Cordoba Corporation, Los Angeles, under RFP No. 058530 covering development and production of a Customer Relations audio visual slide/tape program for District employees for a negotiated cost of \$60,486; form of contract subject to approval of the General Counsel.

UNANIMOUS

ADVANCE PLANNING COMMITTEE REPORT (Items 12-15)

12. Approved establishment of an Interagency Transfer Agreement with the Glendale "Beeline" Shuttle.

UNANIMOUS

13. Approved minor route modifications to Line 105 in the Crenshaw and Mid-City Districts of the City of Los Angeles, effective September 8, 1985.

UNANIMOUS

14. Approved establishment of new short line routing on Line 270 in the City of Whittier, effective September 8, 1985.

UNANIMOUS

15. Approved the setting of a public hearing on September 28, 1985 at 10:00 a.m. for the purpose of considering service reductions, possible fare increases or the securement of funding to cover projected loss of federal subsidies; with service reductions or fare increases to be implemented in December, 1985 or later.

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Greg Roberts spoke on this item, indicating his opposition to service reductions. Howard Watts also spoke, requesting public hearings be held in various locations within the service area.

GOVERNMENT RELATIONS COMMITTEE REPORT

16. Received and Filed report on State legislative up-date.

UNANIMOUS

PERSONNEL COMMITTEE REPORT (Items 17-18)

17. Approved amendment of the contract with the law firm of Jackson, Lewis, Schnitzler & Krupman, increasing the maximum amount from \$15,000 to \$46,000; form of contract amendment subject to approval of the General Counsel.

UNANIMOUS

18. Carried over to the next meeting the report on As-Needed employees.

UNANIMOUS

FINANCE & JOINT DEVELOPMENT COMMITTEE REPORT (Items 19-20)

19. Considered the report and staff presentation on the Los Angeles County Transportation Commission's resolution adopted July 24, 1985, regarding the District's request for an additional \$7.6 million in Fiscal Year 1984-85 Proposition A Fare Reduction Funds.

General Manager Dyer indicated that two conditions on this funding agreement have been worked out with the Ad Hoc Committee members from the RTD and from the Commission. Those conditions are that \$4 million of the 1986 budget should be reduced through cost savings that would not affect service on the street, and that \$3.6 million in service reductions should be implemented. If there is a federal reduction in funds of \$3.6 million or more, then this would be counted twice, once as a credit for the LACTC and also counted as a result of the reduction in federal operating assistance dollars. Mr. Dyer went on to state that if the District demonstrates that ridership and other factors are beyond our control and increasing our costs, then the \$4 million could be restored.

Director Panish made a motion to approve the staff recommendation, which motion was seconded. Director Holen indicated he would abstain on this matter and he explained his reason by stating that the initiation of this matter came about because the District exceeded last year's budget by approximately \$7.6 million. The District was required to maintain a 50¢ fare and the LACTC was required to provide the District with sufficient funding to maintain the 50¢ fare. There is a legal issue that monies are due to the District. The current year's deficit will produce a shortfall. This shortfall is the real issue we have in front of us. The Commission's action obscures the issue; an issue to be resolved by the basic electoral authority in Los Angeles. Director Holen concluded by stating that the action requested today does not address the District's shortfall. It obscures the basic issue. He suggested he would offer an alternate resolution if the motion on the floor failed. After further discussion, a Roll Call vote was requested and the motion failed as noted below:

FINANCE & JOINT DEVELOPMENT COMMITTEE REPORT - Cont'd.

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

Director Holen then made the following motion which was seconded.

Resolved, the Board of Director commend the staff for identifying \$4 million in 1985-86 administrative cost reductions and encourages the staff to find additional cost savings;

Resolved further, that all administrative cost reductions be transferred as needed to additional service; and

Resolved further, that any such savings not be required for additional service, then such amount be reserved for application to the 1986-87 fiscal year budget.

Director Panish commented that this motion appears to address the matter of \$4 million, not \$7.6 million. Director Holen responded that was not so; the resolution speaks to the issue that there is no reason to go outside the internal operations of the District in order to fund additional service from administrative savings. Staff raised the question of the validity of the \$7.6 million receivable that was recorded on the District's books. It was suggested that the District follow the General Counsel's opinion that the LACTC is obliged to pay the \$7.6 million and that the District should proceed under its legal rights for this funding. Director Holen stressed that he would, under no circumstances contenance the idea of litigation against the LACTC. After further discussion, the motion was restated. Staff again stated that the LACTC, in previous years, has not allowed funds to be carried over from one fiscal year to the next.

General Manager Dyer stressed the importance of this action and asked the Board members to recognize what the implications are. If the Board proceeds with this motion, the LACTC can proceed to satisfy the \$7.6 million issue for last fiscal year, but they have no obligation in this fiscal year to provide anything; it's 100% discretionary. This action would reduce the



FINANCE & JOINT DEVELOPMENT COMMITTEE REPORT - Cont'd.

Fiscal Year '86 funding by \$7.6 million automatically because of the \$7.6 million shortfall in Fiscal Year '85.

Director Day asked legal counsel who may make a motion to reconsider and when and under what circumstances. Ms. Gifford responded that a Director who was on the prevailing side may make a motion to reconsider and it can be done on the day of the original motion.

After further discussion, a Roll Call vote was requested on Director Holen's motion, which motion failed as noted below:

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

Director Day then moved reconsideration of Director Panish's motion, which motion was seconded and carried on a Roll Call vote as noted below:

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

Director Panish then made a motion to approve the staff recommendation, which motion was seconded and carried on a Roll Call vote as noted below and the following resolution was adopted:

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

RESOLVED, that the Los Angeles County Transportation Commission's resolution, adopted on July 24, 1985, regarding the District's request for an additional \$7.6 million in Fiscal Year 1984-85 Proposition A Fare Reduction Funds is hereby approved.

FINANCE & JOINT DEVELOPMENT COMMITTEE REPORT - Cont'd.

20. Received and Filed report of the District's cash investments for the month of July, 1985.

UNANIMOUS

CONSENT CALENDAR (Items 21-28)

21. Authorized the General Manager to execute a contract with Foray Systems, Santa Ana, the lowest responsible bidder under Bid No. 8-8507 covering procurement of a distributed data processing system for a total bid price of \$31,822; form of contract subject to approval of the General Counsel.

UNANIMOUS

CONSENT CALENDAR - Cont'd.

22. Authorized the General Manager to execute contracts with the lowest responsible bidders under Bid No. 7-8517 covering District's requirements for oil seals for a one-year period, with an option for one additional year at the election of the District:
- a. Bearings, Inc., Pico Rivera, covering Items 9, 12, 19, 30, 21 and 28 for an estimated annual cost of \$2,559;
  - b. Brake Supply Company, Inc., Los Angeles, covering Items 1, 30 and 31 for an estimated annual cost of \$49,036;
  - c. Flexible Distribution Center, Compton, covering Items 4 through 7, 11, 13 through 18, 25, 26 and 35 for an estimated annual cost of \$17,480;
  - d. Friction Materials Company, Long Beach, covering Items 2 and 3 for an estimated annual cost of \$4,664;
  - e. Graham Brake and Diesel Company, Chatsworth, covering Item 24 for an estimated annual cost of \$2,922;
  - f. Hausman Bus Sales, Des Plaines, Illinois, covering Items 23 and 37 for an estimated annual cost of \$7,940;
  - g. Kaman Bearing and Supply, Los Angeles, covering Item 29 for an estimated annual cost of \$1,460;
  - h. Mohawk Manufacturing & Supply Company, Niles, Illinois, covering Items 8 and 10 for an estimated annual cost of \$2,943;
  - i. Prevost Car, Inc., Torrance, covering Item 27 for an estimated annual cost of \$1,209; and
  - j. Sealtec, Inc., Santa Fe Springs, covering Items 32 through 34 and 36 for an estimated annual cost of \$77,955;

form of contracts subject to approval of the General Counsel.

UNANIMOUS

CONSENT CALENDAR - Cont'd.

23. Authorized the General Manager to execute contracts with the lowest responsible bidders under Bid No. 7-8525 covering District's requirements for brake drums for a one-year period, with an option for one additional year at the election of the District:
- a. Friction Materials Company, Long Beach, covering Items 4 through 6 and 12 through 14 for an estimated annual cost of \$27,468;
  - b. Muncie Reclamation & Supply Company, Muncie, Indiana, covering Item 7 for an estimated annual cost of \$4,752; and
  - c. Neopart, Montgomeryville, Pennsylvania, covering Items 2, 8, 10 and 11 for an estimated annual cost of \$67,315;

form of contracts subject to approval of the General Counsel.

UNANIMOUS

24. Authorized the General Manager to execute a contract with CDS Information Services, Inc., Los Angeles, under RFP No. 078529 covering data processing and packaging fulfillment services for an estimated cost of \$133,000; form of contract subject to approval of the General Counsel.

UNANIMOUS

25. Approved Requisitions No. 5-8300-114 and No. 5-4200-91 and authorized the General Manager to amend an existing contract with National Phototech, Inc., Santa Fe Springs, covering reprographic services, increasing the total cost by an additional \$28,000 to a total cost of \$96,000; form of contract amendment subject to approval of the General Counsel.

This procurement is funded under UMTA Grant No. CA-03-0213.

UNANIMOUS

CONSENT CALENDAR - Cont'd.

26. Received and Filed status report on Board Requests.

UNANIMOUS

27. Received and Filed Report Calendar - August 1 through 8, 1985.

UNANIMOUS

28a. Approved minutes of regular Board meeting held July 25, 1985.

UNANIMOUS

28b. Ratified bus stop zone changes as filed with the Secretary.

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28c. Ratified temporary route diversions as filed with the Secretary.

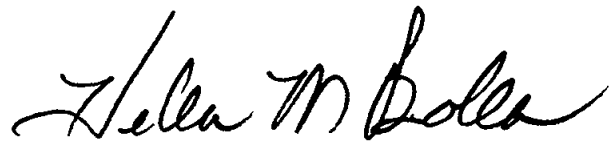
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GENERAL ITEMS

29. New Business

Howard Watts appeared before the Board speaking to an injury he sustained while a passenger on Line 4. He stated his intent to file a \$15 million lawsuit against the District.

There being no further business, the meeting adjourned at 2:38 p.m.

  
District Secretary