

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Regular Meeting  
Board of Directors  
Thursday, October 13, 1983  
District Board Room  
425 South Main Street  
Los Angeles

Called to order at 1:18 p.m.

Michael W. Lewis, President  
Ruth E. Richter, Vice-President  
John F. Day  
Jan Hall  
Nate Holden  
Marvin L. Holden

Nick Patsaouras  
Jay B. Price  
Charles H. Storing  
Gordana Swanson  
George Takei

1. Recognition of retired personnel and presentation of certificates by Director Holden.

2. Report of the President.

No report.

3. Report of the General Manager.

Mr. Dyer reported that the APTA Annual Meeting will be held in Denver, October 23-27. He urged the Directors to attend. He also mentioned that Neoplan has requested the Directors to plan to visit their facility while they are in Colorado. Their entire line is filled with buses ordered by the District.

Mr. Dyer also reported that it will be necessary to delay adoption and certification of the Final Impact Report for the Metro Rail Project. This document is undergoing a detailed review by the federal government and it is expected that the document will be ready for adoption and certification at the November 10th meeting.

Mr. Dyer suggested that the Board will need to discuss the workshop session scheduled to be held on November 3rd under New Business.

4. Director Special Items.

No items were discussed.

CUSTOMER RELATIONS & PUBLIC INFORMATION COMMITTEE REPORT  
(Items 5-6)

5. Authorized the General Manager to cancel the Tourist Pass.

UNANIMOUS

6. Consider options for bus advertising revenue for the period of the Olympic Games.

Withdrawn from agenda by staff.

FACILITIES & CONSTRUCTION COMMITTEE REPORT

7. Approved rejection of non-responsive alternate bid submitted by Eaton Kenway and authorized the General Manager to execute a contract with Eaton Kenway, 515 East 1st South, Salt Lake City, Utah, the lowest responsible bidder under Bid No. CA-03-0213-B covering the Automatic Storage/Retrieval System with bin system option, Central Maintenance Facility-Equipment Contract for a total bid price of \$7,049,944; form of contract subject to approval of the General Counsel and UMTA.

This procurement funded under UMTA Grant CA-03-0213.

UNANIMOUS

- 7A. Received the report of the hearing officer, and approved the request of the General Contractor, E & W Builders, Inc. to substitute another subcontractor for the firm of Diamond Air Conditioning for the heating, ventilating and air conditioning portion of the Division 3 Transportation Building project.

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RAPID TRANSIT COMMITTEE REPORT (Items 8-11)

8. Consider adoption and certification of Final Environmental Impact Statement/Final Environmental Impact Report for the Metro Rail Project.

This item was withdrawn from the agenda due to a delay in the processing of the EIS/EIR by UMTA.

RAPID TRANSIT COMMITTEE REPORT - Cont'd.

9. Approved Requisition No. 3-8100-229 and authorized the General Manager to execute a contract amendment with the Atchison, Topeka and Santa Fe Railway Company to perform continuing engineering services in connection with the District's proposed acquisition of the railroad's First Street Yard at an estimated additional cost of \$24,000, increasing the contract total to \$44,000; form of contract amendment subject to approval of the General Counsel.

Funded by State and local grants.

UNANIMOUS

10. Consider approval of Requisition No. 3-8100-248 and authorization of the General Manager to execute a contract with Booz-Allen & Hamilton, Inc., Bethesda, Maryland, to provide continuing professional services as System Engineering and Analysis Consultant for the Metro Rail Project for one year at an estimated cost of \$1.6 million; form of contract subject to approval of the General Counsel.

Funded by Federal, State and local grants.

Withdrawn from agenda by staff.

11. Approved the setting of a Public Hearing on November 10, 1983 at 1:00 p.m. on the submittal of a grant application to the Urban Mass Transportation Administration for funding of final design and construction of the Metro Rail Project.

FINANCE COMMITTEE REPORT (Items 12-16)

12. Report and recommendations on negotiations with the Parklabrea Association concerning the Wilshire/Fairfax Metro Rail Station.

Director Hall made a motion to approve the execution of the Joint Development Agreement with Parklabrea Associates covering the Metro Rail Station at Wilshire & Fairfax, which motion was seconded.

Also requested staff to clarify certain concerns raised regarding after-hours parking.

Director Patsaouras stated that he feels the District should share in any profits that the developer may realize from any variance that would be issued regarding parking. He also requested that the District have the option to provide one or more accesses to the Transit Station, and that the language in the contract with respect to the parking spaces be more exact.

General Manager Dyer responded, indicating that these items were in the forefront of the negotiations. The developer flatly refused to allow the District to share in any variance profits because the developer will be providing the parking structure and spaces at no cost to the District. The contract does provide for the access referred to by Director Patsaouras, with the District sharing any connector fees equally with Parklabrea. The contract provides that 175 parking spaces over and above the requirements for the developments required by the City will be built and will be allocated for Metro Rail use. On a non-exclusive basis, all other parking spaces will be available.

Director Hall commented that the District can take advantage of the economic benefit to a developer whether it is through joint development or benefit assessment district, both of which apply in this case. The Benefit Assessment District is predicated on the assumption that there is an economic advantage to a development that is built at a Metro Rail Station area and that benefit should come back in some form to the District. As a part of this joint development agreement, the Parklabrea did agree to support a Benefit Assessment District, so the District will get some benefit back, not only for construction, but for on-going maintenance of that Station site. She continued that when the Benefit Assessment District is formed, the District will have to determine what benefit is being received, and at that time we will receive some consideration above and beyond the joint

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FINANCE COMMITTEE REPORT - Cont'd.

development agreement, with regard to parking. Another benefit that the District gains from the agreement is the right of our patrons to enter and exit the parking structure, if the structure is not open.

Director Patsaouras inquired if it would be possible to locate the station at the southwest corner of Wilshire & Fairfax. General Manager Dyer responded that the site would not be feasible. Director Patsaouras then inquired if it was necessary to pinpoint the location, or if it would suffice to say that the station would be located in the general area of Wilshire & Fairfax. Mr. Dyer responded that the locations must be pinpointed within 5-10 feet. The EIS does require specific location of the stations and any changes would require a modification of that document.

Director Takei indicated that questions had been raised during the Committee meeting regarding the District's participation in the setting of parking rates. Mr. Perdon responded that Parklabrea feels that since they are constructing the parking spaces and it is a loss operation for them, they did not feel that the District is legitimately in a position to assist in the setting of the rates. Director Takei countered that the District could condemn property in that area for the construction of parking; therefore, it seems in the best interest of all concerned that the District should have a voice in the setting of parking rates. Mr. Perdon stated that it is as much in the interest of Parklabrea as it is in the District's interest to set the rates at a reasonable level, or the spaces will go unused and they will not realize any return on their investment.

Director Price inquired what would be the bottom line dollar that would come back to the District in the Benefit Assessment District? Mr. Dyer responded that first, you have a joint development agreement with Parklabrea that is worth about \$30-35 million, which is a net reduction in cost to the System, secondly, we have the absolute commitment of Parklabrea to constructively support and work with the District in establishing a Benefit Assessment District which would yield \$1-1.5 million per year. This would be the basis for proposing to bond this Station, as well as others. The fact that parking would be deferred or reduced is essentially to the District's benefit, because it means that more assessable structures would be built within the Benefit Assessment District. This particular station location is one of the few locations within the Project where you would have revenue coming from two

FINANCE COMMITTEE REPORT - Cont'd.

streams; 1) the joint development agreement, and 2) the benefit assessment district.

Director Takei asked Mr. Dyer to indicate where the agreement differed from the one presented at the last meeting. Mr. Dyer indicated that there were seven major changes; 1) agreement is contingent upon adoption of the EIS by September, 1984; 2) agreement whereby neither party will adversely affect the other party's construction; 3) two additional private entrances which the District and Parklabrea will share equally in the connector fees; 4) 175 parkings spaces over and above what the City's requirement will be, available on a non-exclusive basis, and parking spaces required by the City will be available to the District's patrons at the same rate as for other uses; 5) inclusion of this site in the EIS/EIR as the preferred site; 6) PLB agrees to actively work with the District to ensure formation of a benefit assessment district at this station; and 7) the District will assist PLB with applications PLB make to other agencies for variances, governmental funding or other assistance sought by PLB in connection with its project.

Director Holen spoke concerning his fears that PLB may become problematical with regard to connector fees if there may be some long range competitive economic factors. The only recourse the District would have is the right of eminent domain on behalf of the public. He stated that he feels the District should reserve the right to use that alternative, if necessary, and that we interpret the transaction points, that are a part of this report, as general guidelines from which a definitive agreement will be drafted, subject to approval by the District.

Director Hall stated that the Committee's recommendation is for approval of the guidelines as set forth in the proposed agreement, which document would be binding on both parties, and that the fine-tuning which may be necessary will come back to the Board for conformation. Mr. Jeff Lyons, Associate Counsel, reported that the intent of the negotiators was to go beyond the normal confines of a Letter of Intent and make this document binding in its general format because of the problems we have in designating this site with respect to the EIR/EIS.

FINANCE COMMITTEE REPORT - Cont'd.

Director Day called for the question, and the motion carried on a Roll Call vote as noted below:

Ayes:	Day, Hall, Holen, Lewis, Price, Richter, Storing, Swanson, Takei
Noes:	Patsaouras
Abstain:	None
Absent:	None

Note: Director Holden declined to respond to the Roll Call vote.

13. Approved Requisition No. 3-7200-109 and authorized the General Manager to amend an existing contract with System Development Corporation, 2500 Colorado Avenue, Santa Monica, covering full service area license for the "PARIS" software package for an additional cost of \$75,000 plus tax; form of contract amendment subject to approval of the General Counsel.

This project funded under UMTA Grant CA-03-0259.

UNANIMOUS

14. Consider adoption of proposed format for revised Quarterly Budget and Performance Report.

Deferred to the Committee of the Whole Workshop scheduled for November 3rd.

15. Authorized the General Manager to submit TIP amendments to LACTC on Mid Valley Transportation Center, Universal City Transportation Center and Downey Division 4 Maintenance Facility Modification relating to the FAU-Prop A fund exchange with the County of Los Angeles.

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FINANCE COMMITTEE REPORT - Cont'd.

16. Authorized the General Manager to submit the District's Section 9 FY 1984 grant application and execute all related documents for Operating Assistance, the Metro Rail Project, and Miscellaneous Equipment and Facilities with the Urban Mass Transportation Administration for an estimated cost of \$127,884,107; form of documents subject to approval of the General Counsel.

UNANIMOUS

CONSENT CALENDAR (Items 17-20)

17. Approved Requisition No. 3-3399-1323 and authorized the General Manager to exercise an option for one additional year with Chemco Specialty Products, 19516 Susanna Road, Compton, covering granular floor cleaner at an estimated cost of \$74,000; form of option subject to approval of the General Counsel.

UNANIMOUS

18. Authorized the General Manager to execute contracts with the lowest responsible bidders under Bid No. 8-8312 covering air, oil and fuel filters for a one-year period, with an option for one additional year at the election of the District:

- a. Apollo Warehouse, 1073 East Artesia Blvd., Carson, covering Items 2, 3, 8 thru 16, 21, 22, 24 thru 27, 29, 31, 33 and 34 for an estimated annual cost of \$123,450;
- b. Filter Supply, 1210 No. Knollwood Circle, Anaheim, covering Item 20 for an estimated annual cost of \$9,150; and
- c. Mack Truck Corporation, 2340 East Olympic Blvd., Los Angeles, covering Items 1, 4 thru 7, 17 thru 19, 23, 28, 30 and 32 for an estimated annual cost of \$122,500;

form of contracts subject to approval of the General Counsel.

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CONSENT CALENDAR - Cont'd.

19. Received & Filed Report Calendar - September 10 to October 3, 1983.

UNANIMOUS

- 20a. Approved Minutes of Regular Meeting held September 29, 1983;

- 20b. Ratified bus stop zone changes as filed with the Secretary;

- 20c. Ratified temporary route diversions as filed with the Secretary;

- 20d. Received & filed Purchasing Agent's Report of Purchases of \$5,000 to \$25,000 for the month of September, 1983.

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GENERAL ITEMS (Items 21-23)

21. Approved rescheduling of certain Board Meetings for the remainder of Calendar Year 1983.

UNANIMOUS

22. Approved rescission of Resolution No. 4-81-487 and adopted a resolution establishing a list of executive staff members who may be designated as General Manager Pro Tempore during the absence of the General Manager.

UNANIMOUS

GENERAL ITEMS - Cont'd.

23. New Business.

Greg Roberts appeared briefly before the Board speaking to several of his concerns regarding bus service.

Director Holden introduced the subject of the receipt of a recent letter from several congressmen concerning the Hollywood Bowl issue. He made a motion to authorize the President to respond to the letter stating that no action will be taken on this issue until the EIS/EIR is considered. It was determined that the President will respond now that the District has a definite date established for the adoption of the EIS/EIR.

The meeting adjourned at 2:50 p.m.

  
District Secretary