

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

RECEIVED  
NOV 1 1981  
LIBRARY

Minutes of Meeting of the  
Board of Directors of the District

October 29, 1981

Upon notice duly given, the Board of Directors of the Southern California Rapid Transit District met at a regular meeting in the District Board Room, 425 South Main Street, Los Angeles, California, at 1:07 p.m. on October 29, 1981, at which time President Thomas G. Neusom called the meeting to order.

Directors Present:

Michael W. Lewis (entered at 1:45 pm)  
Carl Meseck  
Thomas G. Neusom  
Nick Patsaouras  
Jay B. Price

Ruth E. Richter  
Charles H. Storing  
Gordana Swanson  
George Takei

Directors Absent:

Jan Hall  
Marvin L. Holen

Staff Present:

John A. Dyer, General Manager  
Richard T. Powers, General Counsel  
Samuel M. Black, Manager of Operations  
George L. McDonald, Manager of Planning & Marketing  
Joe B. Scatchard, Controller-Treasurer-Auditor  
Jack T. Stubbs, Assistant General Manager for Administration  
John S. Wilkens, Manager of Employee Relations  
Richard Gallagher, Manager & Chief Engineer, Rapid Transit  
David D. Dominguez, Manager of Human Relations  
Robert G. Williams, Manager of Customer Relations  
Helen M. Bolen, District Secretary

Also present were members of the public and the news media.

### Presentation of Certificates of Merit

Director Meseck presented Certificates of Merit to Vivian Williams, Information Operator-of-the-Month, Isiah McClain, Operator-of-the-Month and to Jonathan Fussell, Maintenance Employee-of-the-Month.

### Introduction of Line Instructors

Roland Krafft, Acting General Superintendent of Transportation, introduced a group of Line Instructors from Divisions 2 and 12.

(Director Meseck left the meeting at 1:20 p.m.)

### Status Report on Proposition "A"

General Counsel Powers reported that this case is first on the November calendar for the State Supreme Court. The Court will meet in Los Angeles on Monday, November 2 to hear oral arguments. He stated that he will report to the Committee of the Whole on November 5th on this phase of the case.

President Neusom indicated that the report of the Equipment & Maintenance Committee would be heard later in the meeting.

Report of the Customer Relations & Public Information Committee  
Director Richter, Chairman of the Customer Relations &  
Public Information Committee, moved approval of Agenda Item No.  
5, which motion was seconded and carried as noted below and  
the following resolution adopted:

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

R-81-601

WHEREAS, reduced hours of operation  
for the Telephone Information Department were con-  
sidered and adopted on a 90-day trial basis at the  
Special Meeting of the Board of Directors on June  
22, 1981; and

WHEREAS, these hours of operation, 6  
a.m. to 12 a.m. Monday through Friday, 6 a.m. to 6  
p.m. Saturday and Sunday and closed holidays except  
New Year's Day, appear to be acceptable to the  
public in view of the District's fiscal constraints;

NOW, THEREFORE, BE IT RESOLVED, that  
the hours of operation for the Telephone Information  
Department are hereby permanently established at the  
reduced level approved on June 22, 1981.

Report of the Advance Planning Committee

Director Swanson, Chairman of the Advance Planning Committee  
moved approval of Agenda Items No. 6 and 7, which motion was  
seconded and carried as noted below and the following resolutions  
adopted:

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

Report of the Advance Planning Committee - continued

R-81-602

RESOLVED, that Requisition No. 1-4600-43 is approved, and the General Manager is authorized to amend an existing contract with MSI - International, 1545 Wilshire Blvd., Los Angeles, covering consultant services for telephone interview and passenger surveys, increasing the estimated cost by \$45,200 to an estimated total cost of \$86,600; form of contract amendment subject to approval of the General Counsel.

R-81-603

RESOLVED, that the General Manager is authorized to award a contract to Barton-Aschman Associates, Inc., 820 Davis St., Evanston, Illinois, under RFP 108105 covering preparation of Title VI submittal to UMTA, at a total estimated cost of \$21,980, which project is funded under UMTA Grant No. CA-09-0099; form of contract subject to approval of the General Counsel.

Report of the Personnel Committee

Director Takei, Chairman of the Personnel Committee, reported that the Committee recommends approval of Agenda Item No. 8, and had requested staff to attempt to negotiate a two-year contract covering group term life insurance at the rate quoted. Staff reported that the insurance company will not provide a two-year term at that rate. On motion of Director Takei, seconded and carried as noted below, the following resolution was adopted:

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

Report of the Personnel Committee - continued

R-81-604

RESOLVED, that Requisition No. 1-9500-197 is approved and the General Manager is authorized to renew an existing contract with The Equitable Life Assurance Society of the United States, 3435 Wilshire Blvd., Los Angeles, covering group term life insurance for all District employees at an estimated annual premium of \$553,000, of which the District's cost is approximately \$291,000; form of contract subject to approval of the General Counsel.

Director Takei moved approval of Agenda Item No. 9, which motion was seconded and carried as noted below and the following resolution adopted:

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

R-81-605

RESOLVED, that the General Manager is authorized to award a contract to Occu-Med, Inc., 932 Ward Ave., Honolulu, Hawaii, under RFP No. 98125, covering the validated medical standards project, at a total estimated cost of \$65,650, which project is funded under UMTA Grant No. CA-09-0109; form of contract subject to approval of the General Counsel.

Under Agenda Item No. 10, Director Takei moved that the Personnel Research Center's Non-Contract Classification Study be accepted, which motion was seconded and carried as noted below and the following resolution adopted:

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

Report of the Personnel Committee - continued

R-81-606

RESOLVED, that the Non-Contract Classification Study prepared by Personnel Research Center is hereby 'accepted.'

Report of the Finance Committee

On motion of Director Richter, seconded and unanimously carried, the Operating Report for the month of September, 1981 was "Received and Filed."

Approval of Consent Calendar

On motion of Director Richter, seconded and carried as noted below, Agenda Items No. 12 through 23 on the Consent Calendar were approved, except for Items No. 12 and 16, and the following resolutions adopted and/or actions taken:

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

R-81-607

RESOLVED, that the General Manager is authorized to award a contract to R. D. Products, 6132 Victor-Manchester Road, Victor, New York, under RFP 108105 covering District Employee Transportation Passes for 1982 at a total estimated cost of \$45,000; form of contract subject to approval of the General Counsel.

R-81-608

RESOLVED, that the General Manager is authorized to award a contract to Aluminum Sash & Door, 13154 Saticoy St., North Hollywood, the lowest responsible bidder under Bid No. 10-8108 covering procurement of queen-sized advertising frames at a total bid price of \$11,750; form of contract subject to approval of the General Counsel.

Approval of Consent Calendar - continued

R-81-609

RESOLVED, that Requisition No. 1-8000-307 is approved and the General Manager is authorized to execute a contract with California Newspaper Service Bureau, P. O. Box 31, Los Angeles, covering newspaper advertising costs for Metro Rail Project Environmental Impact Statement meeting notices at an estimated cost of \$35,000, which project is funded under UMTA and State Grants; form of contract subject to approval of the General Counsel.

R-81-610

RESOLVED, that Requisition No. 1-3399-1172 is approved and the Purchasing Agent is authorized to call for bids covering miscellaneous pistons, liners and liner kits for a one-year period, with an option for one additional year at the election of the District; form of bid requirements and specifications subject to approval of the General Counsel.

R-81-611

RESOLVED, that Requisition No. 1-3399-1171 is approved and the Purchasing Agent is authorized to call for bids covering coveralls, shop coats, shirts and pants for a one-year period; form of bid requirements and specifications subject to approval of the General Counsel.

R-81-612

RESOLVED, that Requisition No. 1-3399-1175 is approved and the Purchasing Agent is authorized to call for bids covering sump maintenance for a one-year period; form of bid requirements and specifications subject to approval of the General Counsel.

R-81-613

RESOLVED, that Requisition No. 1-3399-298 is approved and the Purchasing Agent is authorized to call for bids covering procurement of king-sized and tail-sized advertising frames for retrofit of new look buses; form of bid requirements and specifications subject to approval of the General Counsel.

R-81-614

RESOLVED, that Requisition No. 1-3399-1174 is approved and the Purchasing Agent is authorized to call for bids covering oil pressure gauge assemblies for a one-year period; form of bid requirements and specifications subject to approval of the General Counsel.

Approval of Consent Calendar - continued

R-81-615

RESOLVED, that Requisition No. 1-3399-1173 is approved and the Purchasing Agent is authorized to call for bids covering heavy-duty metal cleaner for a one-year period; form of bid requirements and specifications subject to approval of the General Counsel.

--- Approved minutes of Regular Board Meeting held October 15, 1981.

--- Ratified bus stop zone changes as described in report dated October 23, 1981, filed with the Secretary.

--- Ratified temporary route diversions as described in report dated October 23, 1981, filed with the Secretary.

Under Agenda Item No. 12, Director Takei questioned the differences in the estimated amount when this item went to bid and the amount of the award of the contract. Staff responded that the estimated amount at bid time was \$176,000 and that the figure shown on the report of a typographical error.

On motion of Director Takei, seconded and carried as noted below, the following resolution was adopted:

Ayes:	Neusom, Patsouras, Price, Richter, Storing, Swanson, Takei
Noes:	None
Abstain:	None
Absent:	Hall, Holen, Lewis, Meseck



Approval of Consent Calendar - continued

R-81-616

RESOLVED, that the General Manager is authorized to award a contract to Refrigeration Sales Company, 23-44 Steinway St., Long Island City, New York, the lowest responsible bidder under Bid No. 9-8129 covering procurement of freon gas at an estimated cost of \$206,200 for the one-year period; form of contract subject to approval of the General Counsel.

Under Agenda Item No. 16, Director Storing commented that the District has spent a lot of money on temporary help. He suggested that a pool of temporary help be developed that could be used by various departments when needed.

On motion by Director Storing, seconded and carried as noted below, the following resolution was adopted:

Ayes:	Neusom, Patsouras, Price, Richter, Storing, Swanson, Takei
Noes:	None
Abstain:	None
Absent:	Hall, Holen, Lewis, Meseck

R-81-617

RESOLVED, that Requisition No. 1-3399-320 is approved and the General Manager is authorized to ratify an amendment to the existing contract with ZIP Temporary Personnel Services Corporation, Encino, covering temporary stenographic services for Maintenance Department, increasing the cost from \$15,100 to a total cost of \$18,300, which project is funded under UMTA Grant No. CA-03-0178; form of contract subject to approval of the General Counsel.

## Director Special Items

Director Patsaouras introduced the subject of the District's financial plight. He indicated that historically the District has reacted to adverse financial problems by 1) raising fares or 2) cutting service. This budget year the District is facing an anticipated \$7.5 million shortfall. He stated that, in his opinion, the District has to look into other avenues of addressing this problem. We need to look in our own house. He suggested cutting the budget by 5%, which may be an exercise in futility, but at least the public would know that the District too is sharing in the pain of this budget deficit. President Neusom suggested that a motion be made to place this item on the agenda for the purpose of discussion, with the matter to be placed on the agenda of a subsequent regular meeting for action, which motion was made, seconded and unanimously carried. General Counsel Powers concurred in this approach on this subject.

Director Patsaouras made a motion to have staff prepare a report on a 5% reduction in the District's total budget and other suggestions which would indicate a sharing with the public of this financial burden, which motion was seconded by Director Swanson.

General Manager Dyer responded indicating that staff can put together a sketch set of plans and alternatives which could be reviewed at the November Committee of the Whole Meeting. He also cautioned that the financial picture is rapidly changing and this subject will need to be watched closely for the next 3-4 months. He predicted that there will be some substantial changes in the way transit operations will be funded by July, 1982.

Director Special Items - continued

Director Patsaouras commented that he is a relatively new member of the Board. He is not aware of any study on efficiency and economy; however, he suggested it would be appropriate to have such a study performed by an outside consultant to look at the District's operation in view of our current and future financial problems.

Director Takei responded that the idea is an excellent one. Several years ago the District hired an outside consultant to perform a management audit. One of the recommendations of this report was for the Board to set aside a weekend to review all policies and to re-examine them. He suggested that this would be an opportune time to do that. It was the consensus of the Board that the Secretary re-distribute the report and to determine a time and place for this meeting.

Director Swanson commented that Director Patsaouras' suggestion to look internally for ways to reduce the deficit is a good one. She suggested that the Board should look at the overall picture. She requested information on real estate that is owned by the District that is currently not being utilized, also the number of buses not being used, etc. Director Price suggested the lease of air space rights as a potential source of revenue.

Director Special Items - continued

There was additional discussion about the report to be presented at the November Committee of the Whole meeting, with President Neusom summarizing that the report as outlined by General Manager Dyer should be brought to that meeting. If the Board concurs in this approach, then the report could be expanded and calendared for action at a regular meeting of the Board.

Report of the General Manager

General Manager Dyer reported that at the Los Angeles County Transportation Commission meeting held on October 28th, the Commission's Finance Review Committee had proposed a set of strong suggestions that the RTD consider no fare increases at this time and that the sole basis for dealing with the financial problem is to simply reduce the level of service in response to the federal operating assistance reduction. There was also a recommendation from their Finance Review Committee concerning the contracting with private operators for the provision of some types of service and that the District work with the Commission on para-transit and other activities as a major cost cutting item. He stressed that it is important that the District Board and the Commissioners not let this become strictly a staff exercise.

General Manager Dyer stated that we all know that the Commission does control the sales tax distribution and they have a degree of control over Section 5 operating assistance dollars. He indicated that it is important to address this as a serious issue, not only in the current year, but in the 3-5-10 year time lines.

Report of the General Manager - continued

Mr. Dyer indicated that a matter that can have an impact on our forecasted Section 5 monies for 1983 and 1984 is the current intent of UMTA officials to utilize the 1980 census data instead of the 1970 census data for the distribution of Section 5 funds during the phase-out period through 1984-85. This decision or intent will impact everyone in California because the 1980 census includes 170 additional standard metropolitan statistical areas to the distribution formula. In effect, we have a declining source of funds to be divided among additional recipients. This is a serious issue. The Los Angeles-Long Beach urbanized area will not fare well if the 1980 census data is used.

General Manager Dyer also reported that the LACTC is moving very rapidly to deal with the light rail alternatives north/south from Los Angeles to Long Beach. The Commission has given their staff the authority to proceed to award a contract covering both elements of the study: 1) the feasibility analysis for that line and 2) to do the system-wide analysis of the Prop. A corridors. Both elements of the study are due to be completed by February, 1982. A technical committee has been put in place to work with the consultants in evaluating the efforts, etc. The consultants will be on board within the next two weeks, and they will have a very tight time frame of sixty days or less. If the District is to take part in the policy process, we will have to work very hard to keep ahead of them to keep the data base available. He suggested that if the Board wishes to be involved in this policy process, the Board will need to reconcile that issue early in

Report of the General Manager - continued

November. He also indicated that the Commission has adopted unanimously the position that the Wilshire Project is the top priority for local funds. They have not made a commitment to a north/south line, but the decision time is quickly approaching. This deals with major capital expenditures, but it does not deal with our near term operating issues.

(Director Lewis entered the meeting.)

Director Price suggested that the Board meet with the Commission, and he suggested that the President try to arrange a meeting with the Commission as early as possible.

Director Lewis commented that in the past, the Finance Committees of the two agencies have met to study the finances and their impacts on transportation for the area, and he suggested such a meeting be held soon. He also commented that he does not recollect that the Commission is given the responsibility to set fares.

Director Swanson inquired if the Board has a liaison member to interface with the Commission on a regular basis. President Neusom commented that this is a new approach. We have been invited to appear before the Commission on several occasions, but we have not taken the approach suggested. He indicated he thought this was a good idea. The District has a staff person who attends the Commission meetings, but the idea of a Board

Report of the General Manager - continued

member to attend on a rotating basis is an excellent suggestion. Director Lewis indicated that he used to attend Commission meetings regularly but has not attended in approximately a year. President Neusom asked that a communication be sent to each Board member asking if they would be able to attend on a rotating basis.

Report of the Equipment & Maintenance Committee

At the request of President Neusom, Director Storing, Chairman of the Equipment & Maintenance Committee, presented his report. He moved approval of Agenda Item No. 4, which motion was seconded and carried as noted below and the following resolution was adopted:

Ayes:	Lewis, Neusom, Patsouras, Price, Richter, Storing, Swanson, Takei
Noes:	None
Abstain:	None
Absent:	Hall, Holen, Meseck

R-81-618

RESOLVED, that Requisitions No. 1-3110-244, 1-3399-337, 1-3500-288, 1-4499-354 and 1-9400-159 are approved, and the Purchasing Agent is authorized to call for bids covering procurement of ten (10) utility vans, which procurement is funded under UMTA Grant No. CA-03-0209; form of bid requirements and specifications subject to approval of the General Counsel.

Director Storing reported that the Committee had considered two additional items and he made a motion to add the items to the agenda, which motion was seconded and unanimously carried.

Report of the Equipment & Maintenance Committee - continued

Director Storing reported that the Committee concurred in the staff report and recommendation to lease buses to the City and County of San Francisco. On motion duly made, seconded and carried as noted below, the following resolution was adopted:

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

R-81-619

RESOLVED, that the report dated October 29, 1981, is approved, and the General Manager is authorized to execute a lease agreement with the City and County of San Francisco for the purpose of providing up to 60 'old look' motor coaches for a period of six months at a lease rate of \$100 per month per bus; form of lease agreement subject to approval of the General Counsel;

RESOLVED FURTHER, that authorization is also granted covering the sale of selected spare parts for these coaches to the City and County of San Francisco at the District's cost plus handling expense.

Director Storing reported that the Committee had considered a report concerning the purchase of Chevron Diesel #2 fuel for a period of approximately 60 days. Before making a motion on this subject, he deferred to General Manager Dyer to make a report on this matter.

Mr. Dyer reported that over the past 2-3 weeks there has been a substantial increase in the heavy exhaust that has been emitted by the RTS-IV buses. The District has brought in the engineers from General Motors to assist in solving this problem. We are looking at the engines, the fuel injectors and we are also



Report of the Equipment & Maintenance Committee - continued

looking at the fuel that is being used. We are checking to see if there are certain additives in the fuel that could be causing this problem; we are also checking to see if there is an additive that could be used to eliminate the smoking. Also the Maintenance Department has gone through a fuel injector cleaning program within the past weeks. Within 2-4,000 miles, the buses are again smoking. In short, the District is making every effort to eliminate the problem. Today's proposal to purchase fuel from our former supplier is an effort to determine if it is the fuel. He summarized that this problem is not confined to the District; other agencies have the same problem.

Director Storing moved approval of the recommendation to purchase Chevron Diesel #2 fuel, which motion was seconded and carried as noted below and the following resolution adopted:

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

R-81-620

RESOLVED, that Requisition No. 1-3399-1177 is approved, and the General Manager is authorized to execute a contract with Chevron, U.S.A. covering procurement of Chevron Diesel No. 2 fuel for a period of up to 60 days, at an estimated cost of \$450,000; form of contract subject to approval of the General Counsel.

Director Special Items

Director Lewis requested a report on the purchase of dynamometers for the West San Fernando Valley division. Maynard Walters, Purchasing Agent, commented that the dynamometer installed was indicated in the specifications with a clause indicating that an approved equal would be satisfactory. After discussion concerning the method in which dynamometers are purchased and the experience of other transit properties, Director Lewis requested a report to the Equipment & Maintenance Committee on the District's experience with dynamometers.

Additional Report of the General Manager

General Manager Dyer reported that last week the Superior Court had denied the petition of the Coalition for Economic Survival for a writ of mandate, which if granted would have forced the District to roll back fares to the 1980 level. He concluded by stating that other agencies have not fared as well in this type of litigation. Lawsuits of this nature are of serious magnitude.

There being no further business, the meeting adjourned at 2:32 p.m.

  
District Secretary