

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

Minutes/Proceedings

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

September 14, 1989

Called to order at 1:05 p.m. by President Swanson

Board Members Present

Gordana Swanson, President
Marvin L. Holen, Vice President
Joseph S. Dunning
Larry Gonzalez
Jeff Jenkins

Jerold F. Milner
Nick Patsaouras
Jay B. Price

Board Members Absent

Jan Hall
Charles H. Storing
Kenneth R. Thomas

1. Recognition of retirees and presentation of certificates by Director Dunning.
2. Report of the President

President Swanson announced the death of retiree, John S. Wilkens, former head of Labor Relations, stating that today's meeting would be adjourned in his memory.

3. Report of the General Manager

General Manager Pro Tempore, John Richeson, asked Art Leahy, to give a report on the Metro Blue Line. Mr. Leahy reported that the District does not have an approved budget or staffing plan for the Blue Line and must either slow down the hiring pace or proceed without funding assurance from the Commission. Hiring must continue at the scheduled rate if operation is to start on time.

A delay has already occurred in the training of vehicle mechanics due to the failure of the vendor to provide training manuals.

Other uncertainties include labor negotiations with the unions, third party agreements, right-of-way availability along Washington Blvd., wayside signal safety and outcome of final inspection walk-through of the line; however, there are no problems at this time which would cause the July 1990 start date to be changed.

Director Patsouras requested that the above concerns be summarized in a letter from President Swanson and transmitted to Chairman Reed at the Commission.

In response to questions from Director Holen, Controller-Treasurer, Tom Rubin, explained the apparent discrepancies between our three computer systems i.e. Transit Systems, Contracting and Accounting.

The three systems do not always have exactly the same numbers for every purpose at all times; however, the systems all agree on the amount of money that has been expended. The systems were started at different times. Naturally, the system started at a later date does not have a record of some earlier transactions.

A difference of \$13 million was discovered between the contracting and accounting systems in July of 1988. This was an extremely active time for contract awards. The computer system in the Contracts Department contained all the contracts which had been awarded to date; the Accounting system receives this information later. The second time this was checked, the difference was only \$6 million and that represented one contract.

There have been two instances where monies have been paid out that should not have been. In each case the checks were

retrieved before they were cashed, and the system has been changed so that this will not occur in the future.

Budgeted income also differed between the systems by \$20.6 million because Accounting did not include a \$20 million grant coming from the State.

Director Holen asked Mr. Rubin for his impression of the system. Mr. Rubin responded that the District's system for control of the Project is near the top of all projects he has seen or been involved with. Those controls can be made better and staff is working toward that goal. Again, on inquiry, Mr. Rubin reported that the Metro Rail Project is as good or better than any he has seen in the private sector. A comment was made that the Arthur Young Study was useful in pointing out areas that the District should pay attention to.

Director Patsaouras asked about delay in payment to the contractors. Mr. Rubin reported that he has reviewed our procedures, and he is convinced that in the vast majority of cases there has been no delay in payment to contractors.

Discussion continued about the auditing of the various control systems and when the review of the various involved departments would be completed. The Board was advised that review would take several months.

Directors Gonzalez and Swanson expressed displeasure that District staff has known about this problem for more than a year and did not bring it to the attention of the Board.

4. Director Special Items

Director Patsaouras offered an apology to the public for the insensitivity displayed at the August 26 Cost Reduction Panel meeting in discussing the issue of a fatality on the Blue Line.

Director Patsaouras requested a transcript of the September 7 Rapid Transit Committee meeting. Specifically, requested was all the issues raised at the meeting, and he asked that they be addressed in line item form.

Director Patsaouras asked for a study on the possibility of implementing child care centers in our stations. He requested information on the cost of providing such centers.

Lastly, Director Patsaouras mentioned the report at the last meeting regarding the newspaper articles about the substitution of an electrical contractor on a Metro Rail Project. He requested staff investigate the matter and outline the facts. He stated his opinion that what was reported last week was in error.

Director Holen inquired about impact of changes made on Lines 1 and 217. Staff responded that the net result is improved service for approximately 100,000 passengers and added inconvenience for about 1,000. Director Holen requested staff to conduct passenger interviews on those Lines.

5. No Closed Session was held.

CONSENT CALENDAR

Items 6 through 11 on the Consent Calendar were unanimously approved in one motion with 7 Directors present.

6. Approved Requisition No. 9-9699-178 and awarded a contract to Dynatech Communications, Inc., Woodbridge, VA, the lowest responsible bidder under Bid No. CA-90-X120-GG, covering a Technical Control System for a total bid price of \$475,663; form of contract subject to approval of the General Counsel.

This project is funded in part by UMTA Grant No. CA-90-X120.

7. Received and filed Report Calendar - August 18, 1989 to August 31, 1989.
8. Ratified Bus Stops and Zones Report as filed with the District Secretary's Office.

9. Ratified Temporary Route Diversions as filed with the District Secretary's Office.
10. Approved minutes of Regular Board meeting of August 10, 1989.
11. Received and filed Monthly Report of District Investments for August, 1989.

FACILITIES AND CONSTRUCTION COMMITTEE

12. Approved a Parking Agreement with L & R Auto Parks, Inc. (DBA Joe's Auto Parks) to purchase 75-100 parking permits and validation stamps for Headquarters parking at 433 South Main Street (lot adjacent to Headquarters Bldg.); term of agreement for three years with first year costs not to exceed \$102,000; form of agreement subject to approval by General Counsel.

Unanimous with 7 Directors present.

13. Item regarding Yard Paving and Drainage at Division 9 removed from the Agenda by Staff.

ADVANCE PLANNING COMMITTEE

14. Approved a Bus Service Enhancement Agreement with the County of Los Angeles for FY 1990 for services provided in Supervisorial District 2; form of agreement subject to approval of the General Counsel.

Unanimous with 7 Directors present.

15. Received and filed report on service enhancements and other related transportation contracts in the 2nd Supervisorial District.

Unanimous with 7 Directors present.

16. Approved an agreement with the Los Angeles County Fair Association to provide shuttle services to the Pomona Fair; form of agreement subject to approval of the General Counsel.

Unanimous with 7 Directors present.

FINANCE AND JOINT DEVELOPMENT COMMITTEE

17. Considered the General Manager's report concerning the scoping and funding of the Advanced Planning Work Program for Metro Rail Phase II.

Director Patsaouras made a substitute motion that an RFP for joint development of all Metro Rail stations be issued to the entire development community and that assistance in preparation of that RFP be sought from the consultant who helped write Milestone 6 for the Metro Rail Project.

Director Holen cautioned that the District has limitations imposed by the Federal Government in terms of what property can be acquired, and this method would force master planning. Director Holen further advised that the thrust of Cost Reduction Panel dialogues has been minimal cost -- quick fix vs. long term best interest of the community. Presently available funds will take Metro Rail to Hollywood and Vine. An additional \$335 million is needed to go to North Hollywood. The Commission is in favor of deferring stations in order to push the line farther. Many of these questions will have to be resolved by the political community. The District does not have the power to control these things.

Dr. Abraham Falick spoke in favor of making Metro Rail stations bus depots as well. This would be an excellent opportunity to supplement station funding.

Following this discussion, Director Patsaouras withdrew his substitute motion and the Board voted the following action be taken with regard to the Staff recommendations on Item 17:

1. That part one of Item 17 regarding expanded joint development work program for FY 90 together with authorization of \$268,283 of additional funding under the Advance Planning contract between LACTC and the District be deferred until the next Board Meeting.

Unanimous with 7 Directors present.

2. Authorized a meeting of the SCRTD/LACTC Joint Ad Hoc Committee to consider LACTC funding of the local matching portion of an UMTA Suburban Mobility Parking Initiative Grant intended to provide the planning studies necessary to substantiate an expanded Universal City parking facility in support of air quality and transit objectives.

Carried with 7 Directors present and Director Patsouras voting no.

18. Received and filed status report on MOS-1 Benefit Assessment Funding.

Unanimous with 7 Directors present.

RAPID TRANSIT COMMITTEE

19. Approved:

- A. Requisition No. 9-8100-904;

- B. Change Order No. 56 to Metro Rail Red Line Contract A610/A115 with California Engineering Contractors, Mountain View, California, covering communication ductbank changes and deletions at a cost not to exceed \$200,000; and

- C. all contract amendments which increase the aggregate contract price five percent over the new contract amount. However, no individual amendment may exceed \$99,999; form of documents subject to approval of the General Counsel.

This Contract Change Order is funded pursuant to the provisions of UMTA Grant No. CA-03-0130.

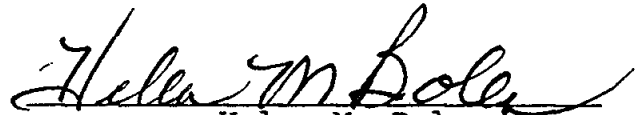
Unanimous with 7 Directors present.

20. Item regarding exercise of Option to amend Contract A616 with the Lord Corporation for additional fasteners was deferred and to be brought back to the Board after LACTC is given the opportunity to reevaluate the cost effectiveness of making this purchase at this time.

GENERAL ITEMS

21. There were no items arising subsequent to the posting of the agenda.
22. Public Comment received from J. Walsh and G. Roberts on transit related matters.

Meeting adjourned at 3:11 p.m.


Helen M. Bolen
District Secretary