

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Regular Board Meeting  
Board of Directors

District Board Room  
425 South Main Street  
Los Angeles

November 9, 1989 - 1:04 p.m.

Directors Present

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

Jerold F. Milner  
Nick Patsaouras  
Jay B. Price  
Charles H. Storing  
Kenneth R. Thomas

Note: Agenda items were considered in the following order.

4. Recognized Transit Police Officers Valdes and Rauchfuss for heroic actions during a recent drive-by shooting.

1. Report of the President

No report was given.

2. Report of the General Manager

No report was given.

## CONSENT CALENDAR

Items 5, 7, and 8 - 12 on the Consent Calendar were unanimously approved in one motion with 9 Directors present. After discussion, items 6 and 9 were also unanimously approved with 9 Directors present.

5. APPROVED a contract with General Motors Truck, Santa Fe Springs, the lowest responsible bidder under Bid No. CA-90-X283-C covering 17 cargo vans for a total bid price of \$241,900; form of contract subject to approval of the General Counsel.

This procurement is funded in part under UMTA Grant Nos. CA-90-X283 and X329.

6. APPROVED a contract with William L. Olson, Inc., Granada Hills, the lowest responsible bidder under Bid No. 09-8905-C covering the demolition of buildings and structures at Location 24, 14557 Sherman Way, Van Nuys, for a total bid price of \$122,800; form of contract subject to approval of the General Counsel.

Director Patsaouras requested that this site be used for parking, and was assured by staff that demolition of the structures would allow for that usage.

7. AUTHORIZED the General Manager or his delegate to enter into a one-year lease, effective January 1, 1990, with Harry Joe Brown, Jr. for the employee parking lot at Division 6 at a rental rate of \$12,000 per month; form of agreement subject to approval of the General Counsel.

8. APPROVED a contract with Thorson GMC Buick, Pasadena, the lowest responsible bidder under Bid No. CA-90-X283-D covering 33, three-quarter ton pick-up trucks for a total bid price of \$467,042; form of contract subject to approval of the General Counsel.

This procurement is funded in part under UMTA Grant Nos. CA-90-X283 and X329.

9. APPROVED the transfer of ownership of Bus Number 7473 to the Long Beach Childrens' Museum.

Director Patsouras repeated the question he had asked at a previous Board meeting regarding the possibility of donating a bus to the LAPD for use as a mobile booking station. Attorney Gifford responded that unlike the bus being given to the Childrens' Museum, a bus donated to the LAPD would not be used for public transit educational purposes.

10. RECEIVED and FILED Report Calendar - October 20, 1989 to November 8, 1989.
11. RECEIVED and FILED Treasurer's Report on District's Investment of funds for October 1989.
12. APPROVED Minutes of Regular Board Meeting of October 12, 1989.

#### EQUIPMENT AND OPERATIONS COMMITTEE

13. APPROVED Requisition No. 9-3900-155 and exercise of an option for one additional year with A & R Brokers covering copier and printing paper at an additional estimated cost of \$593,201; form of option subject to approval of the General Counsel.

Unanimous with 8 Directors present.

14. APPROVED Requisition No. 9-0998-11 and a contract amendment with Associated Risk Services, Inc., Atlanta, GA, covering continuation of Third Party Workers' Compensation Administration, for an additional not-to-exceed cost of \$4,500,000; form of contract amendment subject to approval of General Counsel.

Unanimous with 9 Directors present.

Director Gonzalez requested a report on minority subcontractors associated with this contract broken down by gender and ethnicity.

Items 15 - 18 were unanimously approved in one motion with 9 Directors present.

15. APPROVED Requisition No. 9-9399-403 and exercise of the final year option with Goodyear Tire and Rubber Co., Akron, Ohio, covering leasing of bus tires at an additional estimated cost not-to-exceed \$5.5 million; form of option subject to approval of the General Counsel.
  
16. APPROVED a contract with Turbomaster, City of Industry, the lowest responsible bidder under Bid No. 10-8912 covering turbochargers for a one-year period, with an option for one additional year at the election of the District for a total bid price of \$500,286; form of contract subject to approval of the General Counsel.
  
17. APPROVED a contract with Korody-Colyer Corp., Compton, the lowest responsible bidder under Bid No. 10-8916 covering Korody-Colyer engine parts for a one-year period, with an option for one additional year at the election of the District for an estimated annual cost of \$1,400,000; form of contract subject to approval of the General Counsel.
  
18. APPROVED a contract with Thermo King of Southern California, the single responsible bidder under Bid No. 10-8919 covering Thermo King air conditioning parts for a one-year period, with an option for one additional year at the election of the District for an estimated annual cost of \$850,000; form of contract subject to approval of the General Counsel.

FINANCE AND JOINT DEVELOPMENT COMMITTEE

19. APPROVED Requisition No. 9-7100-153 and a contract amendment with Financial Information Services covering the sale of currency for a four-month period at an additional cost of \$1,000,000; form of contract amendment subject to approval of the General Counsel.

Unanimous with 9 Directors present.

20. AUTHORIZED the General Manager to amend the Fiscal Year 1990 Budget to capitalize the Metro Blue Line expenditures and revenues.

Unanimous with 9 Directors present.

3. Director Special Items

Director Patsouras presented a revised version of the LACTC/SCRTD Agreement for the design and construction of minimum operable segment two (MOS-2) of Metro Red Line and all light rail systems as presented at the November 2 Special Meeting. This proposal provided for the formation of a Rail Construction Corporation ("RCC") which would be responsible for making management and contractual recommendations to LACTC and for the day to day decision-making for MOS-2 and all rail construction projects within Los Angeles County.

President Swanson reported spending Wednesday in Washington, D.C. meeting with the Administrator Designate of UMTA, Bryan Clymer, regarding the status of the full funding contract. Mr. Clymer had many positive things to say and indicated that this project has strong congressional backing. On the negative side, Mr. Clymer mentioned the disagreement between the District and LACTC as a major problem and expressed his hope that it could be resolved at the local level.

President Swanson presented an alternative proposal, which she requested the Board to approve in concept, suggesting the establishment of a Joint Powers Authority as defined by State Law and proposed that the Commission be invited to accept this offer. She indicated that the full funding agreement would be executed based on the 8-Point Plan which requires that the LACTC show that the RTD is part of the plan.

If the LACTC were to cut RTD out of this contract, they would have to show UMTA that they are capable of performing all tasks which would otherwise be assigned to the District. This could take up to one year.

During the discussion, the point was made that the basic difference between the two proposals (Patsaouras and Swanson) is that the Joint Powers Authority as proposed by President Swanson would give power to an independent body and that body would be responsible for and have the power to make decisions for design, management and construction of all rail projects in the county, whereas the Rail Construction Corporation as proposed by Director Patsaouras would be strictly an advisory body and the LACTC would have the final say.

Director Hall expressed concern about delay to the MOS-1 project as a result of LACTC draining resources from RTD's budget to convince UMTA that they can handle the entire rail project without the District.

Controller-Treasurer, Tom Rubin, stated that if the District's role on MOS-2 is terminated, our problem would be trying to retain enough skilled people to successfully finish MOS-1. The LACTC would probably attempt to hire as many of our skilled employees as possible, and the others would not be motivated to stick around to the end of MOS-1.

Director Patsaouras stated his opinion that the District should get back to running a bus system and get out of rail.

Director Thomas made the following motion:

Resolved, that the SCRTD does hereby agree to endow an independent decision-making body with all powers delegable by law from the LACTC and the SCRTD in order to avoid disagreements that may have arisen or might arise over the nature and meaning of measures to regulate the design and construction of rail projects in Los Angeles County, and to effectuate the efficient management of the design and construction of rail projects in Los Angeles County;

Resolved further, that the Committee established under the 8-Point Plan meet with the LACTC to work out the details with regard to personnel and other matters and report back to the Board within two weeks, or 30 days at the outside, and if necessary, present the Board with a minority report;

Resolved further, that the group is to be provided with sufficient staff to carry out their charge.

The motion was seconded by Director Holen and discussion continued.

Director Jenkins inquired about the cost of delaying the project. The response was that the LACTC estimates \$30 million per month and the District estimates \$7 to \$10 million per month. Director Jenkins indicated that he did not support the Joint Powers Authority, and if the proposal as presented by Director Patsaouras were not adopted, he would urge the Transit Committee of the LACTC to take MOS-2 away from the RTD.

Director Jenkins made the following substitute motion:

Move approval of proposal put forth by Director Patsaouras with the exception that under Item 14, the Mayor's appointee be deleted, and that the Rail Construction Corporation consist of three members from each Board and that one member from either Board may be the Mayor's appointee.

The substitute motion died for lack of a second.

Public comment was received from J. Walsh urging the District to allow the LACTC to take over MOS-2 and from G. Roberts regarding the make-up of the proposed RCC or JPA.

The following Roll Call vote was recorded on the original motion:

Ayes: Hall, Holen, Price, Storing, Thomas, Swanson  
Noes: Dunning, Gonzalez, Jenkins, Milner, Patsaouras  
Abstain: None  
Absent: None

The motion carried on a 6 to 5 vote with 11 Directors present.

#### GENERAL ITEMS

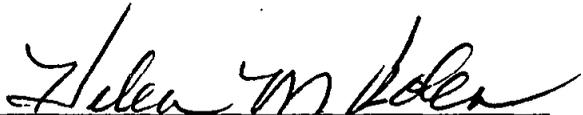
21. No Closed Session was held.

22. There were no items arising subsequent to posting of the agenda.

23. Public Comment

There was no additional public comment.

The meeting adjourned at 3:24 p.m.

  
HELEN M. BOLEN  
District Secretary