

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Equal Opportunity & Affirmative Action Committee  
Board of Directors  
District Headquarters Building  
425 South Main Street  
Los Angeles

November 13, 1989

Called to order at 10:05 a.m. by Chairman Thomas:

Directors Present:

Kenneth R. Thomas  
Larry Gonzalez (arr. 10:18 a.m.)  
Joseph S. Dunning  
Nick Patsaouras  
Gordana Swanson

Item No. 1

The Committee discussed in detail the methods and procedures for assuring that District funds are expended in compliance with federal and state requirements and District goals for Construction contracts.

There was detailed discussion on procedures followed for award of construction contracts. Staff provided details on DBE participation requirements; percentages required on each contract, aiding DBE's in meeting bonding requirements, cash flow problems both for actual work and change orders, and certifying DBE firms.

Several directors posed questions on how to 'eliminate' firms that are in fact 'body shops'; DBE firms that bid on work they know nothing about then act like an employment agency and hire experts in the necessary field. The true meaning of DBE participation is not being met by District standards. Staff was instructed to let these companies that are doing business with the District and possibly practicing this know that the Board is watching and is extremely unhappy with these practices.

The District DBE participation goals was discussed. Mr. Norwood indicated that the overall goals of the District is

20%. He also noted that each contract award is reviewed for DBE participation both to meet the goals and setting the goals prior to going out for bid. The District sets an overall goal, but, depending on the type of work involved, may request a higher DBE participation for a particular contract.

There was lengthy discussion on the work being performed by PDCD; whether they are adequately staffed to satisfactorily perform in accordance with their contract and whether they are in fact performing as required by the work program. Staff indicated they felt that PDCD was inadequately staffed for monitoring both DBE participation and labor compliance by contractors. One problem area is that of prevailing wages. The best source for finding out a laborer is not being paid the prevailing wage is the laborer himself.

The reporting systems used by contractors and PDCD and MRTC were discussed. The monthly/quarterly reports are reviewed by the District for variances which are then followed up. The lead role for monitoring violations is placed with PDCD as part of their contract. The District has the authority to request additional information of a prime or subcontractor through PDCD after reviewing the reports.

The procedures and requirements for a DBE to be certified by the District were also reviewed. Staff noted that the District follows the federal regulations for certification. Instructions were given to staff to make the community aware that the District is concerned with helping true DBE firms and that every effort will be made to assure DBE firms they have a real opportunity to participate in Metro Rail contracts. Also, every effort will be made to assure that companies are not working as an 'employment agency' of smaller companies in order to meet DBE requirements, but that the small companies will, in fact, be given an opportunity to participate in meaningful work.

On query from President Swanson concerning the District taking over the function of monitoring contract compliance, staff indicated that this is currently being reviewed.

Outreach programs for DBE participation in Phase II of the Metro Rail Project are being expanded. Suggestions and areas for improvement, along with methods for implementation, was requested from staff.

A report on monitoring of expenditures under \$25,000, including the current policy was requested to be furnished at the next committee meeting.

Director Gonzalez suggested that a public hearing be scheduled for January, 1990 to get input from minority contractors on how effective, or ineffective, our procedures/policies are to include DBE firms in the work on the Metro Rail Project.

Staff is to review District policy and come up with a plan, then hold a public hearing to get input from the community and DBE firms. A plan can then be developed to approach some of the concerns of the Directors and DBE firms.

The Committee deferred discussion on other District contracts, including public information and public relations matters to Thursday, November 16, 1989.

Due to the lateness of the morning, the report under item 2 on unilateral organizational changes and their impact on women and minority employees in middle and top management at the District was deferred to a later meeting.

The meeting adjourned at 11:45 a.m.

A handwritten signature in cursive script that reads "Rhodona Thompson". The signature is written in dark ink and is positioned above the typed name and title.

Rhodona Thompson  
Recording Secretary