



SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

SPECIAL BOARD MEETING
Board of Directors

District Board Room
425 South Main Street
Los Angeles

February 1, 1990

Directors Present:

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

Nick Patsaouras
Charles H. Storing
Kenneth R. Thomas

Directors Absent:

Jeff Jenkins
Jerold F. Milner

Jay B. Price

Meeting was called to order at 12:25 p.m.

The items were considered in the following order:

1. Appointed Robert Kruse and James Pott to the Board of Directors of the Rail Construction Corporation (RCC).

UNANIMOUS, with 6 Directors present.

Staff was directed to send a letter to the Chairman of the Los Angeles County Transportation Commission (LACTC) transmitting the names and resumes of our nominees to the RCC Board. During discussion it was also stated that the old by-laws of the RCC are no longer the operative document; the agreement between the RTD and the LACTC is now the operative document.

A. Report of the President

President Swanson spoke about the considerable amount of publicity generated over the issue of a consultant contract with former Director Jan Hall. She stated that she has given the matter a great deal of thought over the past few days and has concluded that the District cannot afford to compromise its ethical conduct. She concluded her statement by asking the General Manager to cancel the consultant contract and to make the cancellations effective immediately.

Director Thomas asked for a report on the matter which would cite the need for the contract. He suggested the Board proceed on this issue in a considered manner. He agreed that if there is a hint of impropriety, the Board should take action; however, he suggested action be taken on the facts, not just the media stories.

In response to a call for comments from other Directors, Director Dunning stated that the Board has a right to overrule an action taken by the General Manager. Director Storing suggested this is an ethical problem. There is a glaring loophole in the Code of Conduct, and the public perception of this contract is horrendous.

Director Holen suggested the General Manager be requested to suspend the contract until after the February 8 Board Meeting during which time the General Manager may formulate a report to the Board. At that time, the Board and the General Manager could come to a decision on this matter. The Board members present concurred in this approach.

B. Report of the General Manager

General Manager Pegg commented that he had anticipated making a report on the Jan Hall consultant contract matter, but in deference to the Board's decision to lay the matter over to the February 8 meeting, he will prepare a written report for that date.

The issue of the Transit Police staff for the Blue Line service was discussed. A report will be prepared. It is anticipated the Transit Police proposal is approximately 25% less than the Sheriff Department's proposal -- or the District could provide 50% more officers with the same money given to the Sheriff.

Director Gonzalez reported that the Sheriff Department wants to appear before the Board. Following additional discussion, it was requested that this subject matter be placed on the agenda for the February 8 meeting.

REPORT OF THE PERSONNEL AND LEGAL COMMITTEE

APPROVED the addition and reclassification of the following Non-Contract positions related to construction claims management in Transit Systems Development:

Authorized four positions:

Director of Program Management - Salary Range 25
Assistant Director of Program Management -
Construction Claims - Salary Range 23
Senior Associate Counsel - Salary Range 21
Legal Secretary - Salary Range 7

Reclassification and increase in authorized positions:

Construction Claims Manager (2) - Salary Range 21

Following discussion, this action was approved on the following Roll Call vote:

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

14. RATIFIED a one-time exception to the Non-Contract vacation policy.

UNANIMOUS, with 7 Directors present

REPORT OF THE EQUIPMENT AND OPERATIONS COMMITTEE

15. APPROVED Requisition No. 0-998-292 and AUTHORIZED amendment of an existing contract with Associated Risk Services, Atlanta, GA, covering procurement of Workers' Compensation Claims Administration Services, increasing the total third year cost by an additional \$257,000; form of contract amendment subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

REPORT OF THE ADVANCE PLANNING COMMITTEE

16. APPROVED Findings of December 2, 1989 Public Hearing and ADOPTED recommended bus/rail interface service plan to be implemented June, 1990 or later.

UNANIMOUS, with 7 Directors present

General Manager Pegg stated that there may not be sufficient funding to operate the lines contained in the report. Discussion focused on the funding levels being dictated by the LACTC for the Blue Line and the diversion of riders from the existing bus lines. Mr. Pegg commented that approximately one-third of the riders on a new rail line are typically new riders. Director Holen commented that the District will need to provide Blue Line service in the most responsible fashion possible without regard to the funding that is being provided by the LACTC.

B. Allen, G. Roberts and J. Walsh spoke regarding the findings of the public hearing and the service plan proposed.

REPORT OF FINANCE AND JOINT DEVELOPMENT COMMITTEE

17. RECEIVED and FILED the various audit reports issued by outside auditors pertaining to Fiscal Year 1989.

UNANIMOUS, with 6 Directors present

18. AUTHORIZED the General Manager to enter into an Exclusive Right to Negotiate for a specific site and development with a respondent to the District's Request For Interest and Qualifications.

UNANIMOUS, with 6 Directors present

REPORT OF THE POLICE AND PUBLIC SAFETY COMMITTEE

19. RECEIVED and FILED Transit Police Peer Review Implementation Status Report.

UNANIMOUS, with 6 Directors present

20. RECEIVED and FILED Vandalism Abatement Quarterly Report.

UNANIMOUS, with 6 Directors present

GENERAL ITEMS

21. APPROVED Transit Police Department staffing increase proposal in support of Metro Blue Line Operations, as contained in the report dated January 29, 1990.

UNANIMOUS, with 6 Directors present

22. RECEIVED and FILED the Fiscal Year 1990 Operating Budget Forecast, Second Quarter.

UNANIMOUS, with 7 Directors present

23. RECEIVED and FILED a report on the Status of Accounts Receivable Over 30 Days Old from the Los Angeles County Transportation Commission.

UNANIMOUS, with 7 Directors present

During discussion on this item, it was suggested that a meeting be held with the Chairman of the LACTC to attempt to gain the release of the remaining \$7 million. In response to a question asked about the interest lost due to the lateness of payments, staff responded the interest lost amounted to approximately \$2 million.

24. RECEIVED and FILED report on past achievements and future challenges to be identified in the District's Business Plan update.

UNANIMOUS, with 7 Directors present

25. REJECTED proposals submitted on RFP 89-44 "L.A.-Long Beach Rail Service Exterior Graffiti Removal", and AUTHORIZED the reissuance of a revised Request For Proposal containing changes to the scope of work; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

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

27. Public Comment

G. Roberts, J. Walsh and B. Allen all addressed the Board on various transit-related matters.

28. The Board did not recess to Closed Session.

Adjourned at 2:43 p.m.


District Secretary