

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Regular Board Meeting  
Board of Directors  
Thursday, February 22, 1990  
District Board Room  
425 South Main Street  
Los Angeles

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

Directors Present

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

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

Director Absent

Jerold F. Milner

Items were considered in the following order:

1. Report of the President

President Swanson commended the Marketing Department for an article appearing in the Metro Section of the Feb. 21 edition of the L.A. Times regarding 96 year old Teodoro Sanabria who at age 17 rode with Pancho Villa and at 96 rides the RTD.

On motion duly made and seconded, RATIFIED appointment of Herbert Carter, Vice Chancellor of California State University, Long Beach, to Board of Directors of the Rail Construction Corporation.

Unanimous with 9 Directors present.

On query from the Board regarding the transfer of District employees to the RCC, they were advised by staff that RTD employees will be notified of and allowed to compete for open positions before they are advertised to the public, but will not be transferred automatically.

General Manager Pegg commented that people are beginning to transfer to the RCC, but their positions are not being transferred, which creates a serious problem for the District.

Director Gonzalez requested a report indicating the number of positions to be transferred to the RCC and the associated cost savings to the District as well as the reporting authority for District Department Heads.

2. Report of the General Manager

General Manager Pegg reported having attended the UMTA Quarterly Meeting on Wednesday (2-21-90).

The General Manager also reported that his requested review of the financial position of the Metro Rail Project had been completed, and the results showed that the District would be handing over a financially sound project on which schedule could be maintained at the projected cost.

32. Recessed to Closed Session at 1:55 p.m. to consider real estate negotiations and personnel matters. At the direction of Legal Counsel, the owners and locations of the properties were read into the record.

Treptow Development Company  
Marland Development Company  
Santa Fe Realty Corporation  
Klemp/Pritzker  
Sebastian Development Group

Grand/Eighth  
Sunset/Beaudry  
Union Station  
Union Station  
Union Station

The Board returned from Closed Session at 4:00 p.m. with no change in attendance. No report was made.

3. Director Special Items

Director Patsaouras requested formation of a peer review panel consisting of City, County, Board of Education and RTD personnel to review District personnel practices.

Director Patsaouras reported that the Commission is proposing a half cent sales tax increase for street and highway improvement, and requested that District oppose this tax unless the language is modified to include significant benefit for public transit. Staff was directed to place this subject matter on the next agenda.

Director Jenkins requested additional information from staff regarding the Transit Radio Systems Contract.

Director Storing commended the Community Relations Department, Nell Soto in particular, for her work in soliciting from Corridor D Cities proclamations and plaques for the District's 25-year anniversary; and Manny Hernandez for the Anti-Graffiti Program in Pasadena as well as the Pasadena in Motion Program which involved young people in the design of transit-related posters which are being displayed as interior bus cards.

Based on receipt of a petition signed by 200 Non-Contract employees, Director Patsaouras requested that the Non-Contract Pension Plan changes be added to the agenda for the next Board meeting.

6. Considered Hearing Officer's report regarding the unauthorized substitution by Harris Corporation, San Carlos, the prime contractor, of the subcontractor, Microwave Radio Communication, El Monte, designated to do the installation portion of Contract No. 5023, Microwave System Upgrade.

H. Barbosa appeared before the Board on behalf of Microwave Radio Communication.

APPROVED motion by Director Gonzalez to assess a 10% penalty on Harris Corporation, San Carlos, the prime contractor, and to carry out a further investigation to ascertain if there are other violations of the contracting code which might trigger debarment.

Unanimous with 9 Directors present.

4. Reviewed delegated contracting authority level of the General Manager. Following a short discussion Director Patsouras made and Director Storing seconded the following motion:

That the delegated contracting authority level of the General Manager be lowered to \$25,000 and that items between \$25,000 and \$100,000 be placed on the Consent Calendar for approval.

Carried with eight affirmative votes and Directors Dunning and Price objecting.

20. APPROVED a contract with Coopers and Lybrand and a contract with Price Waterhouse covering the provision of "as Needed" Operational Audits and Management Reviews for the Office of the Inspector General through FY 90, with an option for two additional years at the election of the District, for an estimated annual cost not to exceed \$200,000; form of contract subject to approval of the General Counsel.

Unanimous with 10 Directors present.

Director Patsouras requested detailed business brochures on the DBE subcontractors to perform under this contract.

5. Considered analysis of District Law as it relates to reporting relationship of the Inspector General.

General Counsel read a portion of Section 30301 of District Law which states in essence that the General Manager has exclusive power to hire and fire employees other than those appointed by the Board, but does not hire, fire or direct the day-to-day activities of the Inspector General; however, she added that the Board does have the power to establish positions or appoint officers.

Director Thomas stated his disagreement, indicating that he saw nothing in that section of District Law which would preclude the Board from changing the reporting authority of the Inspector General.

On question, General Counsel advised that if the Board proceeded, their action would have virtually no effect.

Director Gonzalez moved that the Inspector General report directly to the Board of Directors.

That motion was amended by Director Patsaouras to add that the Board also has authority to hire and fire the Inspector General. The motion as amended was seconded by Director Jenkins.

The motion carried on the following Roll Call vote with 9 Directors present:

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

Director Jenkins requested an opportunity in the near future to resolve the terms and conditions of the Inspector General's employment in a closed session of the Executive Committee.

G. Roberts commented that this type of movement has been taking place in the Justice and Treasury Departments. Their Internal Affairs Director has been taken out of those agencies and put under the Attorney General of the United States.

8. APPROVED recommendation of the Hearing Officer in the matter of the request for substitution of Dominion Corporation, Subcontractor by Tutor-Saliba-Perini on Metro Rail Contract A130 Main Yard and Shops.

Unanimous with 8 Directors present.

CONSENT CALENDAR

Items 9 through 15 on the Consent Calendar were unanimously approved in one motion with 8 Directors present.

9. Received and filed Report Calendar - January 26, 1990 to February 21, 1990.
10. Received and Filed Statement of Purchases - \$5,000 to \$99,999 for January 1, 1990 to January 31, 1990.
11. Ratified Temporary Route Diversions as filed with the Secretary's Office.
12. Ratified Bus Stops and Zones Agenda as filed with the Secretary's Office.
13. Received and filed the Metro Red Line Construction Change Order Report for January 1990.
14. Approved Minutes of Special Board Meeting of December 21, 1989 and Regular Board Meetings of January 11 and 25, 1990.
15. Approved Board Request List as of February 1990.

7. Received and filed the outside auditor's (Coopers & Lybrand) report to management on internal controls and recommended operating efficiencies based on the audit of the financial statements for Fiscal Year 1989.

Unanimous with 8 Directors present.

#### EQUIPMENT AND OPERATIONS COMMITTEE

16. APPROVED Requisition No. 9-9399-181, rejection of non-responsive bids under Bid No. CA-90-X283-G and execution of contracts with the following lowest responsible bidders, subject to UMTA approval:

Group A - 1 each - 6000 lb. Sit-Down Lift. Award to Yale Industrial Trucks, the lowest responsible bidder for a total price of \$25,387;

Group B - 1 each - 4000 lb. Stand-Up Lift (Four Directional). Reject non-responsive low bid submitted by Western Industries and award to W. T. Billard, the second lowest bidder for a total price of \$42,497;

Group C - 1 each - 4000 lb. Counter-Balance Lift. Reject non-responsive low bid submitted by Johnson Lift and award to Crown Lift Truck, the second lowest bidder for a total price of \$24,527;

Group D - 6 each - 4000 lb. Counter-Balance Lifts. Reject non-responsive low bid submitted by Johnson Lift and award to Crown Lift Truck, the second lowest bidder for a total price of \$144,920; and

Group E - 10 each - Hand-operated Walkies. Reject non-responsive low bid submitted by Yale Industrial Truck and award to Big Joe California, Inc. for a total price of \$93,278;

form of contracts subject to approval of the general Counsel.

This procurement is funded in part under UMTA Grant No. CA-90-X283.

Unanimous with 8 Directors present.

17. APPROVED rejection of non-responsive bids and authorized the General Manager to execute contracts and any future options with the lowest responsible bidders under Bid No. 11-8909 covering the lease of 65 copier machines for a three-year period with an option for two additional one-year terms as follows:

Group A - 46 low volume copiers. Award to Ameritech Communications, Inc., the lowest bidder for a total price of \$266,220;

Group B - 5 low volume copiers. Reject non-responsive bids submitted by Lanier and Minolta and award to Ameritech, the lowest responsible bidder for a total price of \$57,420;

Group C - 1 high volume copier. Reject non-responsive bids submitted by Lanier and Minolta and award to Xerox Corporation for a total price of \$37,800; and

Group D - 12 mid volume copiers. Reject non-responsive bids submitted by Lanier and Minolta and award to Xerox Corporation for a total price of \$307,440;

form of contracts subject to approval of the General Counsel.

Unanimous with 8 Directors present.

Mr. F. Dalo of Lanier Corp. addressed the Board regarding the makeup of the specifications for the copier RFP and requested the Board to reject all bids and allow vendors to re-bid.

18. Received and filed the Second Quarter FY90 Claims Report.

Unanimous with 8 Directors present.

#### EXECUTIVE COMMITTEE

19. Received and filed Inspector General's Report for the 2nd Quarter of FY90.

Unanimous with 8 Directors present.

2/22/90



ADVANCE PLANNING COMMITTEE

21. APPROVED Support Services Agreements with the County of Los Angeles for the Antelope Valley and Santa Clarita Valley Commuter Express Services; form of agreements subject to approval by General Counsel.

Unanimous with 8 Directors present.

22. Received and filed report on preliminary "Constrained" and "Desired" Five Year Financial Plans, with the Board supporting the "Desired" Plan and directing staff to work with LACTC and other agencies to identify funding sources to meet the projected shortfall and to bring back to the Board a report on the Commission's budgetary allocation of funds.

Carried with 8 Directors present and Director Jenkins casting a "No" vote.

23. APPROVED minor route modification to Line 251 in the Cypress Park area.

Unanimous with 8 Directors present.

GOVERNMENT RELATIONS COMMITTEE

24. CARRIED OVER to next Board Meeting General Manager's recommendation for District participation in APTA's Transit 2000 Public Information Program.

25. Received and filed Information Contained in the Federal Legislative Update.

Unanimous with 8 Directors present.

FINANCE AND JOINT DEVELOPMENT COMMITTEE

26. APPROVED an Amendment to the Resolution to Create Benefit Assessment Districts for Phase II of the Metro Red Line.

Unanimous with 8 Directors present.

J. Walsh requested a public observation of the certification process.

27. Received and filed Report on the Metro Rail Contracts Reconciliation Task Force.

Unanimous with 7 Directors present.

JOINT PERSONNEL AND LEGAL AND RAPID TRANSIT COMMITTEE

28. APPROVED Requisition No. 0-2200-31 and a contract covering the services of Karen Fishman, an employee of Morgan, Lewis and Bockius, Los Angeles, for a 6-month period commencing February 26, 1990, to provide legal services pertaining to Metro Rail construction claims at a cost not to exceed \$125,000; form of contract subject to approval of the General Counsel.

Unanimous with 6 Directors present.

RAPID TRANSIT COMMITTEE

29. APPROVED:

A. a contract with Tutor-Saliba corporation, (TSC), the lowest responsive and responsible bidder for construction of Metro Red Line Contract A187, Wilshire/Alvarado, Stage II, at a total bid price of \$13,227,000; and

B. all contract amendments, increasing the aggregate contract price by up to 5 percent; however, no individual amendment may exceed \$200,000; form of documents subject to approval of the General Counsel.

This contract is funded in part under UMTA Grant No. A-03-0130.

Unanimous with 6 Directors present.

GENERAL ITEMS

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

31. Public Comment:

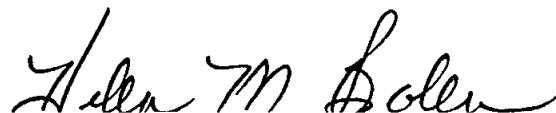
J. Walsh reiterated his bet/pledge of \$1,000 to be given to the American Cancer Society if the Light Rail actually starts on July 1, 1990.

G. Roberts requested improvement of bus operating times on Line 124.

H. Watts wants to have appropriate schedules put into buses and old advertisements removed.

A. Hoyt asked the deadline for submitting Benefit Assessment petitions and was advised by Legal Counsel that it would be 30 days after the City or County holds its hearing on Benefit Assessment, and that she could get further information by contacting Carol Inge in the Planning Department.

The Meeting Adjourned at 5:47 P.M.

  
District Secretary