

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Regular Board Meeting
Board of Directors
Thursday, March 8, 1990
District Board Room
425 South Main Street
Los Angeles

Called to order at 1:05 p.m.:

Directors Present

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

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

Items were considered in the following order:

1. Report of the President

President Swanson announced a new Efficiency and Economy Committee, to be chaired by Director Milner. This committee will be charged with looking at the District's costs and finding ways to reduce them and making constructive recommendations to the rest of the Board.

2. Report of the General Manager

General Manager Pegg announced the appointment of Al Perdon as A.G.M., Transit Systems Development, effective Tuesday, March 13, 1990.

3. Director Special Items

Director Gonzalez requested consideration of "Resolution of Board of Directors Southern California Rapid Transit District Approving a County Agreement for Law Enforcement on the Metro Blue Line" and "Key Features of Proposed Agreement".

Director Swanson asked who prepared the Resolution. General Manager Pegg responded that he did not know who had prepared the draft he received, but that he had worked with the Legal Department to improve the basic terms of the agreement, eliminating some very one-sided clauses, and believed that the document was now an instruction to negotiate.

Director Gonzalez made the following motion which was seconded by Director Patsaouras:

That the Southern California Rapid Transit District shall contract with the County of Los Angeles for Sheriff thereof to provide law enforcement services on the Metro Blue Line within the framework of a Key Features Proposed Agreement which are attached hereto as Exhibit 1. The estimated cost of such contract is \$9,954,450, excluding liability insurance. Liability insurance, if any, shall be funded by the LACTC. The President of the Board and General Manager are authorized and directed to negotiate an exclusive said District/County Law Enforcement Services Agreement by and on behalf of the Southern California Rapid Transit District, and that this agreement shall become effective no sooner than 12 a.m. July 16, 1990, and when ratified and adopted by the Board of Supervisors of the County of Los Angeles. This agreement shall remain in effect until June 27, 1992; and the Southern California Rapid Transit District shall have the right to terminate for cause, but not for convenience, during the contract period. And that the General Manager shall certify to the adoption of this resolution and send a certified copy along with five original signed copies of said District/County Agreement to Chief Administrative Office, Inter-Government Relations, Room 723 Hall of Administration, 500 W. Temple Street, Los Angeles 90012.

Upon request, the District Secretary then read the "Key Features of Proposed Agreement" into the record.

Several staff members attempted unsuccessfully to interpret the Sheriff's staffing table attached to the agreement. Transit Police Chief Papa indicated that the total cost of security provided by the TPOA would be approximately \$7.2 million (including fare inspection and fixed post security) as opposed to the Sheriff's \$9.950 (excluding fare inspection,

fixed post security, liability insurance and possibly start-up costs).

President Swanson questioned whether the Sheriff's \$9.950 million cost shown in today's proposal as opposed to the \$12.5 million quoted at the last Board Meeting was based on a reduction in the number of officers to be deployed. No one from the Sheriff's Department was in attendance to answer that question.

Transit Police Officers Bielman, Jones, Barberic, Ramos, Thompson, Aldana, Rodriguez, Tainter, Lewis, Fuller, Thomson and Merriweather expressed their dismay and disbelief at what they perceive to be a lack of faith in their training and ability evidenced by the Board's reconsideration of this issue.

H. Watts addressed the Board regarding the lack of visible security on buses.

President Swanson then called for the Sheriff's Department representatives to come forward. George Swede, Consultant for the L.A. County Rail Activation Team, and Lt. Jerry Smedeke of the L.A. County Sheriff's Department appeared to answer questions and to shed some light on the proposal before the Board.

Mr. Swede, who was hired by Norm Jester of LACTC to evaluate the initial security proposals from the District and the Sheriff's Department, indicated that both proposals were flawed. The District's proposal understated wage rates by 10% to 30% and did not include general and administrative expenses. The Sheriff's proposal understated the amount of coverage required. Both parties were asked to resubmit proposals based upon a fairly common set of standards/criteria. Mr. Swede stated that to date he had not seen the District's revised proposal, but that the Sheriff's latest estimate of approximately \$9 million (excluding liability insurance) is lower in total dollar amount than the earlier submittal and provides service over approximately 40% more railroad than his original proposal.

Director Holen questioned the provision of additional service for less money. Mr. Swede answered that the Sheriff's rates usually include a capital recovery factor to cover the costs of buying patrol cars, radios, etc. That capital recovery factor has been excluded from the contract and will be paid by LACTC as a one-time cost allowing the overall annual cost to come down.

Director Gonzalez requested that some consideration be given to the development of a transition plan so that at the end of a 2-year contract with the Sheriff's Department, there would be a mechanism in place to allow Transit Police Officers to take over.

F. Bielman, SCTPOA President, reappeared to announce that representatives of the Sheriff's Department had told him they are 700 people short, and their officers currently assigned to the Blue Line are from the jails.

Officer D. Flowers spoke regarding the interest expressed by other agencies such as BART and the Peace Officers Training Commission in Sacramento, to establish an exchange program with the TPOA because of their expert training.

Barbara Anderson, Director of Risk Management, advised the Board of additional costs which could be incurred if this contract is approved, related to liability claims, workers' compensation, and coordination with claims investigators and the Sheriff's Department

G. Roberts spoke to the question of coordination between the Sheriff Deputies on the Blue Line and the Transit Police Officers on the buses.

Controller Treasurer, Tom Rubin, revealed that based on detail received from the Sheriff's Department in the last two days, he had put together a comparison of the costs to put a field officer out on the line. Using two sets of assumptions, one most favorable and the other least favorable to the Sheriff, it was determined that the District could put between 1.75 and 2.5 of its officers in the field for the cost of putting one of the Sheriff's officers in the field. The most likely set of assumptions in his opinion is that 2.1 Transit Police Officers could be deployed for the cost of 1 Deputy Sheriff.

Director Storing stated that the action being contemplated today resulted from having the Mayor of Los Angeles, Supervisors Antonovich, Schabarum, Hahn and Dana stick their noses into District business by turning the screws on their appointees. He invited the Mayor and the four supervisors to come down and take their seats and do their own dirty work and not use their appointees as pawns. Director Storing characterized this conduct as shameful, abominable and politics at its dirtiest.

Director Knabe reminded Director Storing that he was one of the two dissenting votes when the TPOA contract was approved; therefore, there was nothing inconsistent in his position today. He stated his opinion that the Board still does not have all the facts, and is not comparing apples to apples. In order to give both agencies a fair evaluation, the item should be kept open and continued to the next regular Board Meeting on March 22nd.

President Swanson asked the Board members to exercise their freedom to think and express their thoughts the way they think best and not give up that freedom for power.

Director Price moved that the item be tabled; Director Storing seconded. The motion failed on the following Roll Call vote:

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

Director Holen moved that the item be tabled to the next regular meeting of the Board of Directors; Director Price seconded, and the motion carried on the following Roll Call vote:

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

Director Holen expressed his disappointment at what took place which he described as falling within the definition of public corruption. That is that a secret payment was made by the County Transportation Commission, of transit dollars to the Sheriff's Department, thereby allowing the Commission to present a proposal showing a reduced annual cost.

Director Thomas requested assurance that:

1. LACTC's funding of the Sheriff's to provide security for the Blue Line would under no circumstances impinge on or diminish the budget for RTD operating and capital costs;

2. LACTC will fund all other existing transit police functions and staffing plans for Blue Line security in 1992.

He noted further that the District serves 1.3 million riders on the bus with a \$6 million budget as opposed to 30,000 potential riders on the Blue Line with a \$10 million budget.

4. Reconsidered General Manager's report containing recommendations and alternatives for proposed modifications to Non-Contract Pension Plan.

D. Darby addressed the Board requesting that employees not be required to make an irrevocable choice of plans and that the retirement tables of the old plan be increased 1.5% per year for years 31 through 36. She also requested assurance that if the new plan is improved in the future, the old plan would receive an equivalent benefit.

Director Patsouras requested staff to calculate cost to the District of not requiring employees to make an irrevocable choice.

Director Patsouras made and Director Storing seconded a motion to increase retirement tables for the old plan by 1.5% per year for years 31 through 36. During further discussion, it was decided that this would require input from the actuary; and the motion was subsequently withdrawn.

Director Dunning requested staff to prepare the data necessary to adopt the concept of giving a bonus after 30 years.

M. Bethel addressed the Board.

Directors Jenkins and Patsouras made a motion to have staff bring back the cost to increase the tables by 1% to 1.5% per year for years 31 to 35.

Directors Price and Thomas offered a substitute motion to have Mr. Rubin bring back for action at the next Board Meeting revised tables showing the 1.5% increase between years 31 and 35. The motion carried on the following Roll Call vote:

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

The motion duly made and seconded to eliminate the irrevocable choice of plans failed on a Roll Call vote as follows:

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

Directors Patsaouras and Storing moved to provide that any future benefit to the new plan would be given to employees under the old plan. The motion carried on a Roll Call vote.

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

Director Holen requested additional information regarding immediate vesting for employees in the event of a major change in the makeup of the Board.

5. APPROVED recommendation of the Committee of the Whole to amend the Resolution to Proceed with Establishment of Benefit Assessment Districts for Metro Rail Phase 2 to provide for lower annual assessment rates and phased collection of assessments.

Unanimous with 8 Directors present as shown in the Roll Call vote below:

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

A. Miliotis of COMET delivered a letter to the Board members.

J. Blackstock, attorney representing Wilshire District Property Owners, stated that the Board should address the issue of revising the resolution to perhaps do away with the need for an election.

G. Roberts offered comment on this subject.

Mr. DiAngelo questioned whether time is up for submittal of petitions. Legal Counsel responded that a hearing is required by the city of Los Angeles and one by the county; 30 days after that is allowed by law to submit petitions.

Director Holen asked staff to make up a chart for the public to clarify the language of the Government Code in this regard.

B. Bicker, of the Mayor's Office, thanked staff for their efforts and commented that the cost to the property owners has been cut in half through their diligence.

CONSENT CALENDAR

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

6. APPROVED requisitions and contracts for a one-year period, with options for one additional year at the election of the District covering electrical supplies:

a. Requisition No. 9-9630-119-1 with Industrial Wholesale Electric, Inc., for an estimated annual cost of \$165,000; and

b. Requisition No. 9-9630-119 with Associated of Los Angeles for an estimated annual cost of \$55,000;

form of contracts subject to approval of the General Counsel.

7. APPROVED Requisition No. 9-9610-125 and a contract with California Dining Services, Irvine, California, under RFP No. 89-59 covering the provision of cafeteria services at District headquarters on a year-to-year basis for a five-year period, with estimated revenue for cafeteria and vending sales of \$17,035 per year; form of contract subject to approval of the General Counsel.

8. APPROVED Requisition No. 0-7900-16 and extension of an existing contract for one year with Iron Horse Consulting company, Scarsdale, Ontario, covering provision of professional safety engineering services for the Blue Line, pending approval and issuance of a Class 3 preference (visa), for an additional estimated cost of \$240,000; form of contract extension subject to approval of the General Counsel.

9. APPROVED Requisition Nos. 0-7200-009 and 0-7200-010 and contracts with the lowest responsible bidders under Bid No. 02-9006 covering UCADS hardware/software.
 - a. Network Sciences Corporation, Yorba Linda, covering Non-Dec related hardware/software and installation for a total bid price of \$37,807; and
 - b. Wylie Laboratories, Irvine, covering DEC hardware/software for a total bid price of \$35,500;form of contracts subject to approval of the General Counsel.

10. RECEIVED and FILED Report Calendar - February 23, 1990 to March 7, 1990.

11. RECEIVED and FILED Treasurer's Report on District's Investment of Funds for February 1990.

RAPID TRANSIT COMMITTEE

17. APPROVED modification to the Right of Entry License and Permanent Easement Agreement with the Los Angeles Union Passenger Terminal (LAUPT) and AUTHORIZED the General Manager to execute Change Order No. A141-CO-074 to Metro Rail Contract A141 with Tutor-Saliba/S.J. Groves for a total cost of \$205,854; form of amendment subject to approval of General Counsel.

This Project is funded in part under UMTA Grant No. CA-09-X204.

Unanimous with 6 Directors present.

18. APPROVED modification of Metro Rail Contract A141 with Tutor-Saliba/S.J. Groves, and settlement of Construction Claim No. A141-PC-160, covering delayed access to Union Station real estate parcel A1-027; form of amendment subject to approval of General Counsel.

This Project is funded in part under UMTA Grant No. CA-09-X204.

Unanimous with 6 Directors present.

PERSONNEL AND LEGAL COMMITTEE

12. APPROVED Requisition No. 9-7500-298 and a contract with BPL Toxicology Laboratory, Tarzana, California, under RFP No. 880-12 covering the provision of clinical laboratory testing services to perform drug testing for a three-year period, for an estimated annual cost of \$300,000; form of contract subject to approval of the General Counsel.

Unanimous with 6 Directors present.

13. CARRIED OVER request to establish Personnel Department Peer Review Panel.

EQUIPMENT AND OPERATIONS COMMITTEE

14. APPROVED a contract with Valley Detroit Diesel, City of Industry, the lowest responsible bidder under Bid No. 02-9013 covering complete cylinder heads for a one-year period, with an option for one additional year at the election of the District at an estimated annual cost of \$1,200,864; form of contract subject to approval of the General Counsel.

Unanimous with 6 Directors present.

EXECUTIVE COMMITTEE

15. APPROVED amendment of Section VIII of the Rules and Regulations.

Unanimous with 6 Directors present.

GOVERNMENT RELATIONS COMMITTEE

16. RECEIVED AND FILED information contained in the State Legislative Update and gave staff the following direction:

AB 2541 - Continue to monitor at this time reserving the right to take a more definitive stand at a later date.

SB 1850 - Monitor

1/2 Cent Sales Tax Initiative - Oppose unless amended to include a dedicated, stable, acceptable percentage to buy, operate and maintain buses.

Unanimous with 6 Directors present.

ADVANCE PLANNING COMMITTEE

19. ADOPTED the District's Short Range Transit Plan for FY91-95 and authorized the General Manager to transmit the document to LACTC and SCAG.

Unanimous with 6 Directors present.

20. APPROVED Los Angeles Department of Transportation Proposed Melrose Avenue Shuttle Service subject to conditions as stipulated in the staff report dated February 28, 1990.

Unanimous with 6 Directors present.

GENERAL ITEMS

21. Consideration of items arising subsequent to the posting of the agenda.

ADDED TO AGENDA and APPROVED Requisition No. 0-9200-37 and amendment of an existing contract with William L. Olson, Inc. Granada Hills, California, covering removal of asbestos discovered during demolition of buildings at Location 24 for an additional cost of \$36,255; form of amendment subject to approval of the General Counsel.

Unanimous with 6 Directors present.

22. Public Comment was received from the following:

J. Walsh regarding cost for L.A. County Sheriff's Department to provide security for the Blue Line.

H. Watts voiced his disapproval of the Mayor's Office working to get property owners to rescind their petitions against benefit assessment.

23. No Closed Session was necessary.

ADJOURNED at 5:38 p.m.


District Secretary