

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

REGULAR BOARD MEETING

Board of Directors

August 23, 1990

District Board Room

425 South Main Street

Los Angeles

Called to order at 12:08 p.m.

Directors Present

Nick Patsaouras, President
Richard Alatorre (12:30 P.M.)
Marvin L. Holen
Jeff Jenkins (12:20 P.M.)
Don Knabe
Jerold F. Milner
Charles H. Storing
Gordana Swanson
Kenneth R. Thomas
James L. Tolbert

Director(s) Absent

Jay B. Price

Items were considered in the following order.

1. Immediately following Roll Call, the Board recessed to Closed Session to consider personnel, labor negotiations, real estate and litigation matters, returning to Open Session at 1:38 p.m. with the same members in attendance.

On motion by Director Holen, seconded by Director Milner, AUTHORIZED staff to initiate the prerequisite steps to condemn Metro Rail Parcel Nos. A1-028-3, A1-028-11, A1-028-12 and A1-039.

Unanimous with 10 Directors present.

8. APPROVED implementation of the On-Time Performance Warranty Program of the Service Guarantee Element as part of the Transit Riders Bill of Rights, and requisitions and authorized procurement of required materials on an emergency basis; form of procurement documents subject to approval of the General Counsel.

Carried on the following Roll Call vote:

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

General Manager Pegg stated that he considered the best attribute of this plan to be that it will force the District to practice the very best customer relations.

Director Swanson requested an update on the results of the program in two weeks and weekly thereafter.

J. Walsh of United Riders spoke opposing the plan.

3. Report of the General Manager

General Manager Pegg announced that the District is conducting a survey to determine the number of employees in the military reserves and that Personnel has been instructed to recruit Operators to the full number of approved positions.

Increased diesel fuel prices could cost the District an additional \$6 million this year. On question from Director Holen regarding a hedging program, Mr. Pegg responded that the authority for this program had expired but that the current yearly fuel contract is based on a week to week quote which yields some benefit when prices rise more than once per week.

Mr. Pegg also announced that as part of the "Transit Riders Bill of Rights" uniformed officers have been placed on buses and their presence has been well received by the public.

Also, some increase in transit ridership has been realized due to the increased cost of gasoline.

4. Director Special Items

Director Storing requested a report from staff to the Equipment and Operations Committee regarding the illegal sale of bus transfers.

General Manager Pegg responded that staff is aware of how the transfers were obtained and has taken the necessary steps to remedy the problem. He further stated that he would be willing to give a full report to the Board but would prefer to do so in Closed Session.

2. Report of the President - None

5. Election of Vice-President

a. Nomination and election

Director Alatorre nominated Director Knabe - Director Jenkins seconded.

Director Swanson nominated Director Holen - Director Holen declined the nomination.

Director Knabe was UNANIMOUSLY ELECTED with 9 Directors present.

b. The District Secretary administered the Oath of Office.

c. ADOPTED resolution designating persons authorized to sign checks, drafts, or other orders for the payment of money drawn in the name of the District on its accounts.

Unanimous with 9 Directors present.

6. ACCEPTED determination of the Hearing Officer for Benefit Assessment Hearing H-86-7, Los Angeles Athletic Club Organization (LAACO), and APPROVED the Resolution Ordering Change in Benefit Assessment.

Unanimous with 9 Directors present.

CONSENT CALENDAR

Items 9 through 20 and 22 through 25 of the Consent Calendar were unanimously approved in one motion with 9 Directors present. Item 21 carried with 9 Directors and Director Alatorre abstaining. Item 26 was pulled for discussion and approved on a separate motion.

9. APPROVED a commercial Use Permit for a one-year term with the City of Long Beach for the operation of a **Park/Ride terminal at the Long Beach Airport** at a monthly rental rate of \$2,719; form of agreement subject to approval of General Counsel.

10. APPROVED requisitions and contracts for a one-year period, covering the procurement of safety shoes:
 - a. Requisition No. 0-9399-237 with Redwing Shoe Company, Culver City, for a total estimated annual cost of \$150,000;
 - b. Requisition No. 0-9399-238 with Knapp Shoe Company, Van Nuys, for a total estimated annual cost of \$150,000; and
 - c. Requisition No. 0-9399-239 with Industrial Safety Shoe Company, Huntington Park, for a total estimated annual cost of \$150,000;for an estimated total annual cost of \$450,000; form of contracts subject to approval of the General Counsel.

11. APPROVED Requisition No. 0-9620-112 and an option for one additional year with Jones Lumber Company, Lynwood, covering the procurement of lumber and associated items at an additional estimated cost of \$75,000, for an estimated total contract amount of \$150,000; form of option subject to approval of the General Counsel.

12. APPROVED a contract with Prevost Car, Inc., Lynhurst, New Jersey, the lowest responsible bidder, under Bid No. 07-9025 covering the procurement of Rockwell bus 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 \$600,000; form of contract subject to approval of the General Counsel.

13. APPROVED a contract with Jayne Products, Los Alamitos, the lowest responsible bidder under Bid No. 05-9007, covering bulk cleaning chemicals, for a one-year period, with an option for two additional years at the election of the District, for a total bid price of \$694,526; form of contract subject to approval of the General Counsel.
14. APPROVED Requisition No. 0-3900-79 and a contract with Xerox Corporation, Sacramento, covering the five-year lease of a Model 5090 copier machine at an estimated cost of \$271,029; form of contract subject to approval of the General Manager.
15. APPROVED Requisition No. 0-9680-6 and a contract with BTB International, under RFP No. 90-35, covering the provision of maintenance services for the Metro Blue Line safety and Security Communications Equipment for a one-year period, with an option for two additional years at the election of the District, for an estimated annual total cost not to exceed \$293,610; form of contract subject to approval of the General Counsel.

This procurement is funded by the Los Angeles County Transportation Commission.

16. APPROVED Requisition No. 0-9680-19 and a contract with A-1 Power Sweeping Company, Baldwin Park, under RFP No. 90-22 covering Metro Blue Line parking lot cleaning services for a two-year period, with an option for one additional year at the election of the District, for an estimated annual cost of \$33,264, for an estimated total contract amount of \$66,528; form of contract subject to approval of the General Counsel.
17. APPROVED Requisition No. 0-4400-97 and extension of existing Contract No. 5184 for one additional year with Dynatype, Glendale, covering short-notice typesetting services, at an additional estimated cost of \$35,000, for an estimated total contract amount of \$66,500; form of contract extension subject to approval of the General Counsel.

18. APPROVED Requisition No. 0-4400-91 and amendment of existing Contract No. 4636 with Multigraphics, Inc., Marina Del Rey, covering graphic design services, increasing the total cost by an additional estimated \$24,000, for an estimated total contract amount of \$150,351; form of contract amendment subject to approval of the General Counsel.

19. APPROVED Requisition No. 0-3900-96 and amendment of an existing contract with A & R Brokers, covering the procurement of copier and printing paper, increasing the total cost by an additional \$350,000, for an estimated total contract amount of \$1,470,491; form of contract amendment subject to approval of the General Counsel.

20. RECEIVED and FILED Report Calendar - August 10 to August 22, 1990.

21. RECEIVED and FILED Statement of Purchases - \$5,000 to \$25,000 for July 1, 1990 to July 31, 1990.

22. RATIFIED temporary route diversions as filed with the District Secretary.

23. RECEIVED and FILED Bus Stops and Zones Report as filed with the District Secretary.

24. RECEIVED and FILED Treasurer's Report on District's Investment of Funds.

25. APPROVED Board Request List dated August 1990.

26. APPROVED on a Roll Call vote, changes to Sections II, VII, VIII and XIV of the District Rules and Regulations and DIRECTED STAFF to bring back to the Board appropriate language to add the Inspector General to Sections 2.1 and 2.2B as an officer of the District and to add Section 2.7 describing the responsibilities and duties of the office.

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

Unanimous with 9 Directors present.

RAPID TRANSIT COMMITTEE

37. RECEIVED and FILED informational report on amendment to Article 23 of Metro Rail Construction Specifications regarding payment to subcontractors.

Unanimous with 9 Directors present.

Gary Butler, Associated General Contractors, addressed the Board to express the contractors' concern that approval of this concept would cause the District to face higher costs as contingencies would have to be placed in bids to cover payments to subcontractors in the absence of payment from the District.

General Manager Pegg suggested that with regard to contractor payments, a mechanism should be sought to direct the prime to pay subsidiary line items which are not in dispute, and contractual terms entered into which would force those line item payments to be passed on to the subcontractor. He further suggested that staff bring back to the first regular Board meeting in October a report containing the proper language.

On motion duly made and seconded, the Board concurred with the General Manager's suggestion to bring back a report at the first meeting in October.

Unanimous with 9 Directors present.

38. Consideration of items arising subsequent to posting of the Agenda.

A. Item regarding sales tax initiative adopted by LACTC for the November ballot REMOVED from the agenda by staff.

B. APPROVED preparation and issuance of a special commemorative one-day pass for the use of persons attending the opening ceremonies of the Long Beach Loop.

Unanimous with 8 Directors present.

7. APPROVED the General Manager's recommendations for possible actions to address bus fleet requirements.

Unanimous with 8 Directors present.

General Manager Pegg recommended a three-point plan consisting of mid-life rehabilitation of the entire fleet; construction of new facilities; and, the pursuit of additional financing to meet those needs and the expansion of the existing fleet by 100 buses beginning in 1993. Due to the spare ratio issue, UMTA is withholding grant monies from the District. Mr. Pegg estimates annual shortfalls of \$9 to \$12 million for rehab and \$300 million for fleet expansion.

Director Jenkins requested that the Board consider private sector involvement in bus maintenance and rehabilitation.

FACILITIES AND CONSTRUCTION COMMITTEE

30. Tentatively APPROVED all necessary actions to exchange a portion of the District-owned property located at 6th and Central Avenue (Parcel B) for a portion of an adjacent parcel (Parcel A) owned by Doizaki and Sons at no cost to the District with staff to return to the Board with report regarding zoning requirements from City of Los Angeles Departments of Public Works and Planning; form of agreement subject to approval of General Counsel.

Unanimous with 8 Directors present.

31. APPROVED rejection of non-responsive bid submitted by Kiewit Pacific Company, Santa Fe Springs, and a contract with Hickman Mechanical, Inc., Arcadia, the lowest responsible bidder under Bid No. CA-03-0342-AR covering construction of a compressed Natural Gas (CNG) fast-fueling facility at Division 15, Sun Valley for a total base bid price of \$972,000; form of contract subject to approval of the General Counsel.

This project is funded in part under UMTA Grant No. CA-03-0342.

Unanimous with 8 Directors present.

ADVANCE PLANNING COMMITTEE

32. CONSENTED to the proposed New Line 6 for the City of Torrance and the extension of Long Beach Line 6 and APPROVED expansion program to enhance service on District Line 130.

Unanimous with 8 Directors present.

33. CONSENTED to the proposed route extensions on the Carson Circuit Bus Service by the City of Carson.

Unanimous with 8 Directors present.

34. APPROVED amendment of License Agreements with Culver City and Santa Monica Municipal Bus Lines for the LAX Transit Center; form of agreements subject to approval of General Counsel.

Unanimous with 8 Directors present.

GOVERNMENT RELATIONS COMMITTEE

35. APPROVED proposed legislation to cap tort liability settlements.

Unanimous with 8 Directors present.

FINANCE AND JOINT DEVELOPMENT COMMITTEE

36. APPROVED execution and filing of an application on behalf of the District under Section 9 of the Urban Mass Transportation Act of 1964, as amended, for operating assistance in the amount of \$47,890,000, and for \$8,722,000 to purchase bus spare parts and 188 non-revenue vehicles, and to make facilities and equipment improvements; form of documents subject to approval of the General Counsel.

Unanimous with 8 Directors present.

EQUIPMENT, OPERATIONS AND ACCESSIBLE TRANSPORTATION COMMITTEE

27. APPROVED Requisition No. 0-9399-297 and exercise of an option with The Flxible Corporation, Delaware, OH, covering the procurement of three 40-foot, advanced-design buses at an estimated cost of \$633,000, for an estimated total contract amount of \$14,825,464; form of option subject to approval of the General Counsel.

This procurement is funded in part under UMTA Grant No. CA-90-X329.

Unanimous with 8 Directors present.

28. APPROVED a contract with Prevost Car, Inc., Lynhurst, New Jersey, the lowest responsible bidder under Bid No. CA-90-X329-0, covering rear axle housing for a one-year period, with an option for one additional year at the election of the District, for an estimated annual cost of \$473,713; form of contract subject to approval of the General Counsel.

This procurement is funded in part under UMTA Grant no. CA-90-X329.

Unanimous with 8 Directors present.

29. CONSIDERED protest submitted by Clayton Industries, El Monte, regarding the award of contract to Superflow Corporation under Bid No. CA-90-X283-I covering the procurement of three chassis dynamometers.

Counsel for Clayton Industries, George Rosenstock, presented the basis of Clayton's protest to the Board.

Members of Clayton's staff reviewed bids at the bid opening and noticed that Superflow had listed several "exceptions" in their bid, the most notable of which was the statement that Clayton's dynamometer could not meet the specified 5-second settling time under certain conditions. It was Clayton's contention that if they had been allowed that same "exception" they could have submitted a much more competitive bid.

Director Milner noted that the difference in settling time did not seem to fully explain the \$300,000 difference in bid price.

District procurement staff indicated that the items referred to by Superflow as exceptions were actually clarifications and not material deviations from the specification. The statement by Superflow that their dynamometer could not meet the 5-second settling time under certain conditions was a clarification to indicate that the dynamometer could not do what a bus could not do.

The Board recessed to Closed Session from 3:46 p.m. to 4:10 p.m. to discuss the possibility of potential litigation in this matter, returning to Open Session with the same 8 Directors in attendance.

Mr. Rosenstock concluded his comments.

On motion by Director Thomas, seconded by Director Storing, the Board voted to uphold the award of contract to Superflow Corporation covering the procurement of three chassis dynamometers.

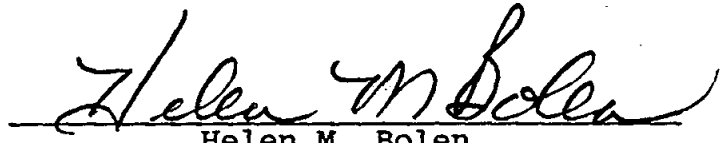
Unanimous with 7 Directors present.

GENERAL ITEMS

39. Public Comment

J. Walsh addressed the Board requesting more Proposition A funds for buses.

Adjourned at 4:25 P.M.

A handwritten signature in cursive script, reading "Helen M. Bolen", is written over a horizontal line.

Helen M. Bolen
District Secretary