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SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Regular Board Meeting
Board of Directors
March 12, 1992
District Board Room
425 South Main Street
Los Angeles

Called to order at 12:05 P.M.

Directors Present:

Marvin L. Holen, President
Charles H. Storing, Vice President
Richard Alatorre
Evan A. Braude
Mas Fukai
Don Knabe

Nick Patsaouras
Carl W. Raggio, Jr.
James L. Tolbert
Antonio Villaraigosa

Director Absent:

Gordana Swanson

Items were considered in the following order:

Percy Duran from the City Public Works Commission was introduced by Director Villaraigosa. Mr. Duran opted to speak during discussion of the electric trolley bus item.

16. Considered the General Manager's report containing a recommendation to:

- a) Authorize the General Manager to enter into an open-ended, self-renewing Interagency Transfer Agreement with the Foothill Transit Zone (FTZ) retroactive to July 1, 1991, as required by the Los Angeles County Transportation Commission's (LACTC) funding guidelines;
- b) Re-authorize the General Manager to enter into a FY 1992 Support Services Agreement with FTZ retroactive to July 1, 1991, that would terminate June 30, 1992, and would incorporate FY 1992 costs (Attachment A);
- c) Authorize the General Manager to consider entering into a premium-priced joint monthly pass agreement with the FTZ for FY 1993 to be implemented as soon as practical after July 1, 1992;
- d) Hold a Public Hearing on the FTZ/RTD joint monthly pass proposal at the May 12, 1992 or later Board meeting contingent upon a mutually acceptable revenue distribution arrangement from sales of the premium-priced joint pass;
- e) Authorize the General Manager to reimburse the FTZ at the FY 91 rates for honoring District passes, tickets and tokens for the period of January 1, 1992, through March 31, 1992;
- f) Authorize the General Manager to enter into a modified Prepaid Fare Revenue Reimbursement Agreement for the last quarter of FY 1992 (April 1, 1992, through June 30, 1992) which would reimburse the FTZ based on rates determined by multiplying the District's rate by the ratio of the District's and FTZ's pass price structures;
- g) Adjust the District's reimbursement rate from five percent to 6.5 cents per ticket for the District's \$.90 and \$.45 single-ride discount tickets effective April 1, 1992;

form of documents subject to approval of the General Counsel.

Staff reported FTZ is currently being reimbursed at the rate of cost per boarding minus \$.40, minus cost of printing, advertising, etc. times the number of people riding with RTD media. That formula compensates the FTZ at too high a level; and recommended the Zone be reimbursed only up to the fare value that is being used.

With regard to items (e) and (f), a reimbursement check is being prepared to pay FTZ through the month of March using FY 91 rates, however the District is proposing that for the last 3 months of the Fiscal Year the reimbursement be based on the ratio of the prices of the two passes, which would lower the subsidy from \$177,000 to \$128,000.

On query from the Board, Roger Chapin, General Manager of the Foothill Transit Zone, indicated his agreement with paragraphs a, c, d and e. With regard to paragraph b, Mr. Chapin said there was no negotiation on the rates. It is his feeling that if 1991 reimbursement rates (paragraph e) are used, the 1991 support services agreement rates should also be used, or the 1992 LADOT rates. He indicated the need for hard data that shows how the rate was determined so they could make a sound business decision. Gary Spivack said he would send the calculations immediately.

Director Fukai moved and Director Villaraigosa seconded, approval of Paragraphs a, c, d and e and directed the parties to attempt to renegotiate the other areas.

Unanimous with 9 Directors present.

Public comment was received from P. Moser requesting that the public hearing be held on the weekend in the San Gabriel Valley.

Director Villaraigosa amended the previous motion to further direct staff to make every effort to set the public hearing in the San Gabriel Valley for a day, time and location convenient for working people.

Unanimous with 9 Directors present

1. Recessed to Closed Session at 12:36 P. M. to consider personnel, real estate, litigation and legal matters, returning to Open Session at 12:58 P.M. Director Alatorre arrived during the Closed Session.
2. Report of the President - No report was made.

3. Report of the General Manager - Mr. Pegg reported on the "Trooper on the Train" exercise held March 11, 1992, which involves inviting law enforcement officials with jurisdiction along the Blue Line to ride the train, identifying motorists and pedestrians who commit rail safety violations. Those officers then radio street units to issue citations to the violators. Fifty five people were cited for violating the gates on the Blue Line.

Mr. Pegg congratulated Art Leahy and his staff for achieving 99 percent on-time pull out.

President Holen commended the Press Department for their efforts in bringing to the attention of the public how the District operates and what it does.

4. Director Special Items

Raggio: Progress report on legislative mandated programs and cost impacts.

Director Raggio indicated that he is in the process of trying to break out costs in a way that is easily understood, i.e. cost per rider. Implementation of the Americans with Disabilities Act is a major cost. There is a cost of \$30 million a year for Dial-a-Ride; another \$30 to \$40 million will have to be spent to meet requirements of Complimentary Paratransit Services; \$15 million to implement a number of regulations in terms of training, employment practices, etc. It is actually a \$75 million problem. Prop C is the area through which ADA-mandated requirements will be met. The \$30 to \$75 million in terms of cost per passenger is substantial and decreases the region's ability to carry that many more passengers. Director Raggio concluded that it is his intent to encourage legislators to attach costs to their particular pieces of legislation in the future.

Villaraigosa: Ethics Committee

Director Villaraigosa spoke to recent news articles regarding ethics and practices of good government and characterized the District as being on the cutting edge, listening to the public and responding to their cry for good government.

He then made a motion, seconded by Director Tolbert, to establish an Ethics Committee to review and refine the current standards of conduct and return to the Board with a report.

Director Alatorre requested due deliberations with regard to ethics. He asked the Board to avoid the invasion of privacy or violation of individual rights.

Director Knabe indicated he would like to tie this in to a similar request at the LACTC.

Director Fukai said he would not support such a motion as he feels it is unnecessary.

President Holen explained that it was within the power of the Board President to establish committees and that no motion or vote was required. Director Villaraigosa withdrew his motion.

President Holen named the following Directors to the Ethics Committee:

Villaraigosa - Chairman
Raggio
Tolbert
Knabe
Holen

Directors Knabe and Alatorre spoke in favor of bringing into one document all the rules and regulations that would apply and making that document consistent with the other agencies.

Braude: Privatization and funding issues

Director Braude spoke regarding a letter from the UTU which addressed the privatization efforts of the California Bus Association and others. He requested a report on the issues contained therein.

President Holen spoke to the \$15 million in STA funds being withheld from the District on the basis of an interpretation that the District is effectively precluded from contracting out. He also mentioned the shortfall in funds available from Prop A revenues.

Several Directors spoke in favor of forcing the issue, including the possibility of taking legal action.

President Holen's position is that regardless of how the funds are earmarked, the LACTC should honor the funding commitments made at the beginning of the year. He concluded that this subject will be on the March 25 LACTC agenda.

Knabe: Office of Inspector General Report

Director Knabe then questioned the OIG report which showed positions being filled in the EEO Department which is supposed to be under a hiring freeze. General Manager Pegg explained that there are three categories of positions which are currently being filled, i.e., Blue Line, Metro Rail and positions charged to a capital grant. Mr. Fuentes added that his office is under obligation with regard to MOS-1 to conduct certain oversight activities or face sanctions from the Federal Government.

Director Patsaouras suggested that the Metro Rail opening be delayed by six months as an alternative to cutting bus service. He made the point that the Board has not really had all available options presented to them for consideration in terms of cost cutting.

Director Raggio commented that this entire discussion belongs at the LACTC.

Directors Tolbert and Fukai expressed the opinion that the LACTC is under the impression that the District has substantial reserve funds which could be used to offset its budget shortfall.

Director Patsaouras made a motion that a third party financial auditor be hired to clarify the matter. President Holen reported that something similar to that is now ongoing using a panel of auditors, and that the process is too far along to change. Director Patsaouras withdrew his motion.

5. RECEIVED AND FILED report on transit reorganization legislation - AB 152 (Katz)

Unanimous with 7 Directors present.

The next hearing on this bill has been postponed to March 30, 1992. More amendments are being made at this time, but they are confidential until released by the author at the March 30 hearing.

CONSENT CALENDAR

Items 6 through 12 of the Consent Calendar were unanimously approved in one motion with 7 Directors present.

6. APPROVED a contract with Pursuit Specialties, Whittier, the lowest responsive and responsible bidder under Bid No 01-9230 covering the furnishing and installation of **police vehicle accessories** for a total bid price of \$27,090; form of contract subject to approval of the General Counsel.

7. APPROVED a contract with Ryco Construction Inc., Gardena, the lowest responsive and responsible bidder under Bid No. IFB CA-90-X283-N for the design and construction of **barrier walls and steel security gates at Terminal 41, Wilton Place**, for a total bid price of \$259,300; form of contract subject to approval of General Counsel.

This project is funded under FTA Grant No. CA-90-X283.

8. APPROVED Requisition No. 2-0990-32 and ratification of an emergency contract with Converse Environmental West, Pasadena, covering the design and installation of a **pumping and water treatment system** to be located at District's Division 7 (West Hollywood) for an estimated cost of \$120,000; form of contract subject to approval of General Counsel.

9. APPROVED Requisition No. 1-9200-222 and rejection of the non-responsive bid from Old Hickory Construction, and a contract to Eli Many, Inc., Los Angeles, the lowest responsive and responsible bidder under Bid No. 02-9205-C covering **improvements on Transit Police Headquarters** for a total bid price of \$72,700; form of contract subject to approval of General Counsel.

10. RESCINDED a contract awarded to Laidlaw Environmental Services Inc., Wilmington, for the handling and disposal of hazardous waste approved by the Board on December 19, 1991.
11. RECEIVED AND FILED Report Calendar from February 27, through March 11, 1992.
12. APPROVED Minutes of Regular Meeting held February 27, 1992.

EQUIPMENT, OPERATIONS AND ACCESSIBLE TRANSPORTATION COMMITTEE

13. APPROVED Requisition No. 2-3399-54 and an option with The Transportation Manufacturing corporation (TMC), Roswell, NM, covering the procurement of 101 Methanol, 40-foot buses, spare parts and the following equipment:
 - a) 5 Fire Suppression Test Equipment;
 - b) 101 Upgraded Drivers' Seats; and
 - c) 101 Rear Advertising Sign Frames;

for a total estimated cost of \$26,000,000; form of option subject to approval of General Counsel.

Unanimous with 7 Directors present.

ADVANCE PLANNING COMMITTEE

14. APPROVED eight to ten Phase I Electric Trolley bus routes for completion of Preliminary Engineering and Environmental Analysis, AND further study with regard to inclusion of Lines 92/93 and 94 in Phase 1.

Unanimous with 6 Directors present.

B. Allen spoke in favor of the inclusion of Line 94 instead of Line 92.

P. Moser spoke in favor of including Line 180 in Phase 1 and adding Line 94.

Percy Duran, a representative of the Board of Public Works and Mayor Bradley's Office, had to leave before this item came up for discussion but left with Al Perdon the following list for District action:

- a) Good coordination with City staff on implementation of this program.
- b) Bring people and residents back into the City of Los Angeles.
- c) Work with the communities and people along the routes proposed for this project.

Mr. Perdon indicated that each of these points is being addressed.

15. RECEIVED AND FILED the Draft Fiscal Year 1993-1997 Short Range Transit Plan - Business Plan.

Director Villaraigosa expressed the opinion that the SRTP is too important to be handled as one of several items on the Advance Planning Committee.

On motion duly made and seconded it was decided that the Draft Fiscal Year 1993-1997 Short Range Transit Plan would be considered at a Committee of the Whole to be convened prior to the Regular Board Meeting on March 26, 1992.

Unanimous with 7 Directors present.

EFFICIENCY & ECONOMY COMMITTEE

17. RESCINDED resolution dated October 20, 1965 relevant to the disposition of District records, and ADOPTED resolution authorizing records disposition according to retention schedule and individual department records retention schedules.

Unanimous with 7 Directors present.

18. RECEIVED AND FILED a report on Local Business Enterprise (LBE) Preference.

Unanimous with 7 Directors present.

POLICE AND PUBLIC SAFETY COMMITTEE

19. REMOVED from Agenda by staff item regarding deployment of Transit Police Officers on the bus system.

GENERAL ITEMS

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

21. Public Comment

B. Allen thanked the Board for including Line 94 in the recommendation for Phase 1 Trolley Bus Lines.

Adjourned at 2:39 P.M.



Helen M. Bolen
District Secretary