

Los Angeles County
Transportation Commission
818 West Seventh Street
Suite 1100
Los Angeles, CA 90017
213/623-1194



Southern California
Rapid Transit District
425 South Main Street
Los Angeles, CA 90013
213/972-6000

MINUTES/PROCEEDINGS AMENDED 9/30/92 as
underlined on Page 2

Joint SCRTD/LACTC Board Meeting

June 10, 1992

The meeting was called to order by Vice Chairman Storing at 3:11 P.M. in the Board of Supervisors' Hearing Room at the Hall of Administration.

SCRTD Board Members

Marvin L. Holen, President
Charles H. Storing, Vice President
Richard Alatorre
Evan Braude
Don Knabe
Nick Patsaouras
Carl W. Raggio
Gordana Swanson
James L. Tolbert
Antonio Villaraigosa

Absent

Mas Fukai

LACTC Commissioners

Michael D. Antonovich, Chairman
Richard Alatorre
Jacki Bacharach
Jerry B. Baxter
Tom Bradley
Deane Dana
Ray Grabinski
Judy Hathaway-Francis
Kenneth Hahn
Gloria Molina
James L. Tolbert

Absent

Edmund Edelman

1. Councilwoman Judy Hathaway-Francis moved that the Minutes of the March 16, 1992 Joint Meeting be approved with the following corrections: 1) that the last four Commissioners be listed as Councilmembers; and 2) that the motion and substitute motion on Page 7 be clarified.

Motion carried.

2. Received update report on status of reorganization legislation and recommendations for amendments to AB 152.

Public Comment on reorganization legislation was received from John Walsh, Howard Watts and Goldie Norton, of the United Transportation Union.

Mr. Norton voiced opposition to the five-year funding guarantee for the Foothill Transit Zone included in the Amendment to AB 3547, which is, in his words, an organization which may cease to exist.

Sharon Neely, spokesperson for the LACTC Ad Hoc Reorganization Committee, commented that the Committee is aware of several amendments which may be incorporated into AB 3547. They are as follows:

Amendment to the ethics provision in AB 152 regarding the renewal, amendment or extension of contracts with current SCRTD/LACTC employees;

Provision for an independent fiscal audit of the two agencies prior to April 1, 1993;

Provision guaranteeing funding for Foothill Transit and City of Los Angeles operations; and

Urgency clause so that the bill will become effective immediately.

The Committee's recommended additions are:

that the clause regarding the renewal, amendment or extension of contracts with any executive or management employee of either entity be changed to read: "management, or any other employees designated by the policy board".

that the term of existing League of Cities representatives whose terms will expire before the start-up of the MTA, stay on until March 31, the end of the existing RTD and LACTC.

Also suggested but not approved was a provision that would allow alternates to vote and then have that vote ratified by the principal's proxy.

Commissioner Bacharach made a motion, which was seconded and carried, to support these amendments and submit to the Governor.

3. Considered further reorganization activities.

Mayor Bradley read into the record and distributed copies of a motion containing merger implementation measures. The gist of the motion which was seconded by Supervisor Antonovich, is as follows:

1. That the ad hoc reorganization committee continue only until creation of the joint Merger Steering Committee.
2. That the joint Merger Steering Committee be created of 7 cooperatively chosen Board Members.
3. That Merger Steering Committee hold open meetings a minimum of twice a month, and that a letter of invitation be sent to League of Cities Board members.
4. That first tasks of the committee shall be:
 - a. Hire facilitator; and
 - b. Commence search for candidates for position of CEO.
5. Recommend legislative strategies to finalize the merger goals.
6. Select cross-section of employees to serve as staff to the Committee.
7. Director of LACTC and General Manager of SCRTD submit to the Committee names of special advisors in the areas of compensation, equal employment opportunity and pension and benefits.
8. Initial Committee meetings shall be for the purposes of:
 - a. Interviewing & selecting special merger advisors.
 - b. Interviewing & selecting staff for the Merger Steering Committee.
 - c. Drafting & approving a mission statement.

- d. Preparing schedule & strategy for merger.
 - e. Initiating performance of a management capacity assessment of the organizations.
9. That the Committee shall perform all functions necessary to carry out the Motion & make progress reports at regular and joint meetings of the LACTC and the SCRTD.
 10. That no new or additional staff members shall be hired by either agency during the merger implementation period except as specifically provided for in the motion.
 11. Reorganization efforts shall be jointly funded.

Councilwoman Hathaway-Francis suggested that the letter mentioned in Item 3 of the Mayor's motion be sent to all League members rather than just to Board members, as the full membership should be kept informed on the hiring of the actual representatives.

Director Braude stated that Paragraph 10 regarding the hiring freeze should spell out administrative staff rather than operational.

Director Swanson questioned why \$75,000 is allocated for a facilitator who should do his work in a very short amount of time. Director Patsouras responded that this individual will spend the next six months meeting bi-monthly.

Supervisor Hahn commended President Holen for implementation of the 50-cent fare. Mr. Holen gave credit for the idea to Director Villaraigosa.

Director Alatorre offered and Director Tolbert seconded the following amendment to the Mayor's motion:

That the Joint Board charge the Merger Steering Committee with forming an Equal Opportunity Subcommittee. The subcommittee should be charged with working with the SCRTD and the LACTC on the development and implementation of Affirmative Action goals and timetables for a fair and equitable transition.

The motion carried unanimously as amended. (See Exhibit 1)

4. Received oral report on:

- A. RTD civil disturbance mitigation efforts, including implementation of an emergency shuttle with a 25-cent fare and the special four month, District-wide, 50-cent fare program to assist residents throughout Los Angeles County.

Also mentioned was the L.A. Millennium Project which develops a structure and plan to start a transportation manufacturing industry in Southern California. The new, not-for-profit corporation called the L.A. Millennium Corporation will be able to act as a joint venture partner with private firms to manufacture advanced technology transit vehicles and components here in L.A. Funding sources are available and adequate to start this project.

The RTD Transit Corridor Development Corporation involves investing transportation and economic development resources in heavily used transit corridors. At key locations along the designated Transit Enterprise Development Corridors significant redevelopment would be funded by public agencies. The Corporation will serve as catalyst, joint venture partner and funding source for much of this investment.

- B. LACTC's "Rebuild L.A." efforts were briefly mentioned.

Commissioner Bacharach stated that she would like to see more of a joint effort between the agencies.

Staff responded that the LACTC and the SCRTD are working together on the Crenshaw Corridor study. At least three alignments through the corridor are being considered, as well as housing and job opportunities.

Naomi Nightingale spoke about using members of the Pre-apprenticeship Employment Program on LACTC contracts. Next step is to get agreement with ADC and unions in support of this program.

A motion was made by Director Braude and seconded by Commissioner Bacharach to recess to closed session regarding a possible litigation item.

After considerable discussion concerning the need for and the legality of such action, several roll call votes were held with the end result being that there was not a quorum present.

5. Public comment

Mike Quint, former Sr. Engineer on the Metro Rail Project, spoke regarding safety issues. He would like to see better quality control under the reorganization.

Sheldon Walter questioned rebuilding efforts and stated his concerns that citizens west of Western Avenue are paying taxes but not getting any benefit from the transportation construction. He suggested putting gang members to work on transit construction projects and using the General Motors plant for transportation manufacturing.

Howard Watts complained that operators would not give a transfer to a patron paying with a reduced fare ticket and also would not allow them to purchase a transfer.

John Walsh complained that the LACTC does not enforce the drug-free workplace rule with regard to Metro Rail.

Bryan Allen described the transit enterprise development project as disjointed.

Adjourned at 5:10 P.M.



Helen M. Bolen
District Secretary

RESOLUTION
ADOPTED BY THE
JOINT BOARDS OF THE
LOS ANGELES COUNTY TRANSPORTATION COMMISSION
AND
SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT
ON
JUNE 10, 1992

WHEREAS, the merger of the Los Angeles County Transportation Commission and the Southern California Rapid Transit District will formally commence on January 1, 1993, which marks the effective date of AB 152, legislation recently signed into law by the Governor; and

WHEREAS, to achieve the passage and signing of this bill, committees of both Boards successfully met, separately and jointly, to develop the merger legislation. It is now necessary that the committees of the Boards change the focus of their efforts, to the implementation of the merger itself; and

WHEREAS, the implementation requires cooperation, trust and communication between the two existing Boards, as well as with the agency employees and the many constituencies that the Board members serve. It requires a mission statement that is unequivocal and that is the product of consensus; and

WHEREAS, the implementation will require substantial efforts by the staffs of both agencies. This sustained effort will be enhanced by a commitment to ensure that fair and equitable employment standards are adhered to during the reorganization and merger and the retention of existing staffs to the fullest extent possible. Accordingly, the merger process shall be governed by a prohibition on new hiring for either agency, subject to the limited and necessary exceptions set forth herein below; and

WHEREAS, there are ample numbers of existing qualified employees in the LACTC and SCRTD, including women and minorities,

who should be retained in proportion to their availability in the work force so that the work force is reflective of the communities in which the MTA will serve; and

WHEREAS, the merger requires that the present management attitudes, styles and practices of the LACTC and the SCRTD cooperatively and unselfishly give way, in favor of a management attitude, style and practice that belongs to the emerging Los Angeles County Metropolitan Transportation Authority; and

WHEREAS, finally, to insure the successful transition from two agencies to one comprehensive transit authority serving the transportation needs of the region, it is agreed that both Boards will be kept fully informed of the merger process and of the merger implementation steps as they proceed.

NOW THEREFORE BE IT RESOLVED, that the Boards of the Los Angeles County Transportation Commission and the Southern California Rapid Transit District implement AB 152 as follows:

1. That the ad hoc reorganization committees of the LACTC and the SCRTD shall continue only until such time as the joint Merger Steering Committee proposed herein below is created and that, thereafter, the ad hoc committees shall be discontinued.

2. That in place of the two ad hoc reorganization committees, a joint Merger Steering Committee of the LACTC and the SCRTD shall promptly be created of seven Board members, who shall be chosen cooperatively by the Chairman of the LACTC and the President of the SCRTD, as follows:

Each shall appoint one representative of the Board of Supervisors, one of the City of Los Angeles, and one of the League of Cities, for a total of six members. A seventh member shall be jointly chosen by the Chairman of the LACTC and the President of the SCRTD. These seven members shall select their chair and vice chair. To the fullest extent allowed by law, alternates shall be permitted to serve and vote in place of their designated principals.

3. That the Merger Steering Committee shall meet a minimum of twice a month to discuss and recommend a program of merger on behalf of the LACTC and SCRTD. The meetings shall be open to all Board members, staff and the public. A special letter signed by all Board members shall be presented by the League of Cities Board members to the full membership of the League of Cities, for the purpose of inviting and encouraging the League's close participation in the merger meetings.

4. That the first tasks of the Merger Steering Committee shall to promptly:

A. Interview and hire a facilitator with expertise in organizational design, who shall assist the Merger Steering Committee in its deliberations on the design of the merged agency. The facilitator shall be chosen from two candidates nominated by the Executive Director of the LACTC and two candidates nominated by the General Manager of the SCRTD. The facilitator shall be selected with all dispatch, with interviews to commence on June 12, 1992, and with the hiring of the facilitator to be concluded no later than June 30, 1992. Funding for the facilitator shall not exceed \$75,000 without the approval of the LACTC and SCRTD Boards.

B. Commence a search for candidates for the position of Chief Executive Officer of the merged agency. The Merger Steering Committee shall develop recommendations for the duties of the CEO; shall solicit broad input from the Boards, staffs and the community on the CEO selection criteria; shall prepare and submit to each Board for its approval the specifications and qualifications for the CEO position; shall work with such executive search firm or firms as it deems appropriate both to undertake the search and to prepare a CEO compensation and benefits package; and shall report back monthly to each Board on the status of the search effort.

Inasmuch as it is not currently known when the League of Cities Board Members on the merged agency will be selected, the Merger Steering Committee shall seek the special cooperation and input of the League of Cities in the search endeavor. Among the issues to be discussed, the Merger Steering Committee shall keep the League membership informed on the timing of the actual hiring of the CEO, so as to advance the dual objectives of: full inclusion of the League, and readiness to successfully transition to a single transportation agency.

5. That the Merger Steering Committee shall be responsible for recommending to both Boards such legislation and legislative strategies as may be necessary to finalize the merger goals of the Boards, where not currently met by AB 152 and where previously or hereafter approved by the Boards of each agency. That upon the approval of both Boards, the Merger Steering Committee shall take all steps to cause the passage and adoption of such legislation.

6. That the Executive Director of the LACTC and the General manager of the SCRTD shall promptly post and distribute notices to the staffs of their respective agencies, in a form prescribed by the Merger Steering Committee, for the purpose of inviting staff members to submit their resumes to the Merger Steering Committee. The resumes shall be used by the Merger Steering Committee, with the assistance of the organizational design facilitator, to select a cross-section of objective and consensus-building employees, who shall serve as staff to the Merger Steering Committee. It is recognized that this staff shall

be drawn from various levels of both organizations.

7. That the Executive Director of the LACTC and the General Manager of the SCRTD shall promptly submit, in writing, to the Merger Steering Committee the names and resumes of all special advisors that either believes should be retained or consulted in connection with the efforts of the Merger Steering Committee. The recommended names shall be comprehensive, and shall include but shall by no means be limited to compensation, equal employment opportunity, and pension and benefits experts.

8. That the initial twice-monthly meetings of the Merger Steering Committee, together with such early retreats as the Merger Steering Committee may determine to host, shall be for the purpose of:

A. Interviewing, and developing recommendations for the approval of both Boards regarding, such special merger advisors as are proposed for retention or consultancy by the Executive Director of the LACTC, the General Manager of the SCRTD, or by the Merger Steering Committee itself.

B. Interviewing, and developing recommendations for the approval of both Boards regarding staff members to serve as staff to the Merger Steering Committee.

C. Drafting and approving a mission statement to guide the purposes and activities of the merger process, said mission statement to define the purpose, the priorities, and the expected products and outcomes of the merger.

D. Preparing and approving a schedule and strategy for the merger of the LACTC and the SCRTD, said schedule and strategy specifically to include a timetable, milestones and a program for communicating at all times with the Board members, their larger constituencies, and staff.

E. Working with the facilitator and with the Merger Steering Committee staff to initiate and direct the performance of a management capacity assessment of the organizations to determine the staff allocations, workload, objectives and products, in preparation for the development of missions, roles and responsibilities of the newly created entities of the merged agency.

9. That the Merger Steering Committee shall perform all duties and functions necessary to carry out this Resolution and that it shall report on its progress at the regular and joint Board meetings of the LACTC and the SCRTD. That this Resolution shall be supplemented as the merger process proceeds, as deemed necessary by the affirmative vote of both the LACTC and SCRTD Boards.

10. That during this merger implementation period, neither the LACTC nor the SCRTD shall hire new or additional administrative staff members, except as required: for capital funded projects to commence Metro Rail or Metrolink service; to initiate new Proposition C programs or projects; to continue work on the zero emissions programs; to replace departing staff (with advance approval of the LACTC or SCRTD Board, as applicable); or as may be otherwise approved in advance by the Merger Steering Committee.

11. That the LACTC and the SCRTD shall jointly fund the efforts to reorganize both agencies. That funding in an amount not to exceed \$75,000 is hereby approved for the purpose of retaining the organizational design facilitator referred to hereinabove.

RESOLVED FURTHER, that the Merger Steering committee is charged with forming an Equal Opportunity Subcommittee which shall work with the SCRTD and LACTC on the development and implementation of Affirmative Action goals and timetables for a fair and equitable transition.

CERTIFICATION

The undersigned, duly qualified and acting as District Secretary of the Southern California Rapid Transit District, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened joint meeting of the Southern California Rapid Transit District and the Los Angeles County Transportation Commission held on June 10, 1992.


District Secretary

Dated: June 17, 1992

(SEAL)

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