

17B

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Regular Board Meeting  
Board of Directors  
District Board Room  
425 South Main Street  
Los Angeles

June 25, 1992

Called to order at 1:08 p.m. by President Holen:

Directors Present:

Marvin L. Holen  
Charles H. Storing  
Richard Alatorre  
Evan Anderson Braude  
Mas Fukai (arr 125 pm)

Nick Patsaouras  
Carl W. Raggio  
Gordana Swanson  
James L. Tolbert  
Antonio Villaraigosa

Director Absent:

Don Knabe

1. Recognized employees of the month: Thomas Byrd, Operator of the Month; Freddie Hardemion, Maintenance Employee of the Month; and Ambrose Hale, Information Operator of the Month.
2. Recognized retirees Isaac L. Bishop, Walter G. Cooley, Sr., Clyde Corbitt, Harold Fink, Thaymon Guinn, Caldwell Manley, Horace Strother and Leslie Vance.

## CONSENT CALENDAR

Items 11 through 19 and 23 through 25 and 27 through 30 on the Consent Calendar were unanimously approved in one motion with 9 Directors present. Action on Items 20, 21 and 22 was taken separately.

- 11a. RATIFIED an amendment to an existing contract with South Coast Air Quality Management District (SCAQMD) to receive an additional \$1,000,000 to fund a portion of an engine dynamometer for the District's Emission Test Facility, which increases the total amount of grant funds received to \$1.4 million; and
- b. ADOPTED a resolution authorizing the General Manager to accept an additional \$1,000,000 towards the funding of the District's Emission Testing Facility;  
  
form of documents subject to approval of the General Counsel.
12. APPROVED Requisition 2-9610-82 and RATIFIED a contract with Water Damage Specialist, Canoga Park, required to mitigate damages resulting from a failed relief valve at the Headquarters Building for an estimated cost not-to-exceed \$75,000; form of contract subject to approval of the General Counsel.
13. APPROVED Requisition 2-7500-68 and a contract with California State Department of Justice, Sacramento, covering fingerprint matching and background investigations for a one-year period at an estimated annual cost of \$26,510; form of contract subject to approval of the General Counsel.
14. APPROVED Requisition 2-9601-61 and a contract with U.S. Postmaster, Los Angeles, covering the cost of U.S. postage fees, permits and express mail for one-year for an estimated annual cost of \$70,000; form of contract subject to approval of the General Counsel.

15. APPROVED Requisition 2-9610-60 and a contract with Pitney Bowes, Los Angeles, covering postage by phone for outgoing U.S. mail for a one-year period at an estimated annual cost of \$200,000; form of contract subject to approval of the General Counsel.
  
16. APPROVED Requisition 2-3900-81 and a contract amendment with Xerox Corporation, Los Angeles, covering lease of copier machines for a one-year period, increasing the cost by an additional \$290,000 for a total contract amount of \$912,380; form of contract amendment subject to approval of the General Counsel.
  
17. APPROVED a contract with Stanley-Vidmar, Inc., Allentown, PA, the lowest responsible bidder under Bid No. 04-9230, covering procurement of Storage Stak Racking System for a total bid price of \$157,436; form of contract subject to approval of the General Counsel.

This procurement is funded under the SCRTD/RCC Agreement covering the Red Line Activation items.

18. APPROVED Requisition 2-7200-49 and amendment to a contract with Integral Systems, Inc., (ISI), Walnut Creek covering maintenance on a proprietary payroll/personnel/ system software for one additional year at an estimated cost of \$41,568 for a total contract amount of \$193,834; form of contract amendment subject to approval of the General Counsel.
  
19. APPROVED a lease agreement with the City of Long Beach covering lease of a lot at Fairbanks Avenue and Chester Place for construction staging and storage for a six (6) month period commencing September 1, 1992, with an option to extend the term on a month-to-month basis, at a rental rate of \$1,176 per month; form of agreement subject to approval of the General Counsel.

23. APPROVED Requisition 2-9400-0181 and amendment to a contract with JCI Environmental, Inc., Los Angeles, covering the disposal of liquid waste for an additional estimated cost of \$150,000 for a total contract cost of \$1,144,000; form of contract amendment subject to approval of the General Counsel.
24. RECEIVED AND FILED Report Calendar for June 12 through June 24, 1992.
25. RECEIVED AND FILED Statement of Purchases for the month of May, 1992.
27. RATIFIED temporary route diversions as filed with the Secretary.
28. RATIFIED bus stops and zones report as filed with the Secretary.
29. RECEIVED AND FILED Board Request List as of June 11, 1992.
30. APPROVED minutes of Special Board Meeting held May 21 and Regular Board Meeting held May 28, 1992.

Under items 20, 21 and 22, Director Patsaouras made a motion to extend the contracts for 30 days. Discussion surrounded time frames for services and actual work that has been done for the District. Also discussed was a motion adopted by LACTC to impose a similar limitation on contracts for their legislative advocacy groups. A review of the representatives will be made to determine actual needs considering the on-going merger.

The following action was unanimously approved on items 20, 21 and 22, with 10 Directors present.

20. APPROVED Requisition 2-1400-37 and extension of a contract with Palumbo & Cerrell, Inc., covering government liaison services at the federal level for a thirty (30) day period, for an estimated cost of \$8,333; form of contract subject to approval of the General Counsel.

21. APPROVED Requisition 2-1400-39 and extension of a contract with Charles Olsen Associates, covering government liaison services at the state level for a thirty (30) day period, for an estimated annual cost of \$5,417; form of contract subject to approval of the General Counsel.
22. APPROVED Requisition 2-1400-40 and extension of a contract with Dixon Arnett Associates, covering government liaison services at the federal level for a thirty (30) day period, for an estimated annual cost of \$5,833; form of contract subject to approval of the General Counsel.
26. RECEIVED AND FILED Treasurer's report on District's Investment of Funds for May, 1992.

CARRIED, with 9 Directors present and Directors Patsaouras and Swanson "Abstaining"

4. Report of the President

President Holen reported that the LACTC approved \$8.6 million in Proposition C funds to the District to meet the 1992 shortfall. This will allow the District to end the fiscal year without a negative equity for FY 92.

Also, a request for funds in the amount of \$117 million to cover the FY 93 shortfall was not voted on by the LACTC. Director Swanson asked if there was any discussion how the bus service would operate without these funds. President Holen responded that LACTC and District staff are to meet during the month of July to identify sources of funding and see if there are any major cost savings at either location.

Director Patsaouras commented that the RTD is now given an opportunity to request adequate funds; be it \$117 million or \$130 million. He continued with comments about the graffiti removal and employee compensation and the need for the Board to be given options on how the funds are to be used.

5. Report of the General Manager

General Manager Pegg said there is a potential for a strike by AMTRAK. If there is in fact a strike, AMTRAK tickets will be honored on District buses.

The APTA Rail Conference was held in Los Angeles recently. The District received an award from APTA for our assistance during the civil unrest. A long standing ovation was received from APTA members.

Mr. Pegg introduced the subject of employee activities with regard to the merger process. The LACTC adopted a resolution as their meeting on June 24 restricting employee activities and urged the District to adopt a similar resolution.

On motion duly made, seconded and unanimously carried with 10 Directors present, the following resolution was adopted:

WHEREAS, on June 10, 1992 the joint Board of the Southern California Rapid Transit District and the Los Angeles County Transportation Commission unanimously adopted a merger resolution detailing the joint efforts necessary to ensure the successful transition from two agencies to one comprehensive transit authority; and

WHEREAS, a Merger Steering Committee, composed of members from both the SCRTD and LACTC boards, was empowered to conduct and implement a process of merger, and additionally a process was described for the involvement of the staffs of both agencies in that effort; and

WHEREAS, it was expressly contemplated that the efforts of SCRTD and LACTC staff to participate in, advance or conduct merger activities would be strictly in conformance with the requests for assistance set forth in the Merger resolution or as thereafter requested by the Merger Steering Committee;

WHEREAS, the LACTC adopted a resolution outlining staff activities with regard to the merger process at its June 24, 1992 meeting;

NOW, THEREFORE, BE IT RESOLVED, that the RTD staff is hereby directed to discontinue all activities and outreach related to the merger, except those expressly called for in the merger resolution or as expressly requested by the Merger Steering Committee.

6. Director Special Items

a. Patsaouras - RTD Service to Hollywood Park

Director Patsaouras made a motion that service to Hollywood Park be discontinued due to a recent billboard advertising campaign which mentioned the District in a derogatory manner.

Director Villaraigosa suggested that a strong letter be sent to Hollywood Park. Director Alatorre reminded everyone that discontinuing service to Hollywood Park would hurt the riding public more than Hollywood Park. It was the consensus to send a letter to Hollywood Park requesting retraction of the billboard and/or a billboard campaign praising the District for a job well done.

7. Election of Officers:

- a. Received report from the Nominating Committee nominating President Holen and Vice President Storing to continue in their roles as President and Vice President until the merger of the LACTC and SCRTD in accordance with AB 152.

UNANIMOUS, with 10 Directors present

- b. Administration of the Oath of Office was postponed to a later time; and
- 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 10 Directors present

6. Director Special Items - Continued

Director Swanson reported on a meeting in the South Bay area with 15 cities. This meeting was well attended and opened a line of communication between the District and public. She said that areas of major concern were: a) bus overcrowding; b) cleanliness, external and interior; and c) operators failure to call stops. It was noted that the public's perception is that the District has improved.

Director Braude said that a community meeting held in his area was also well attended. He requested staff to look into train violations at intersections; specifically, blocking intersections longer than permitted by law. He mentioned that the public concern was about freight trains, not the Blue Line.

Director Storing reported that a community meeting is scheduled for tonight in El Monte.

8. General Manager Pegg reported on the budget for FY 1993 and proposed salary adjustment for non-contract employees. He said that the LACTC's budget includes pay for performance from 0-8% increase. The District's budget is different in that there will be a chart adjustment and individual increase will be based on merit and placement within the salary range. The District has proposed to the LACTC that Proposition C funds be used to cover any shortfall; the LACTC is against such usage. An additional \$117 million is needed in order to provide the same level of service.

Director Patsouras made a motion to adopt the budget, which was seconded by Director Alatorre.

Director Villaraigosa spoke to lack of funding for graffiti clean up and that a vote for this budget was to maintain a status quo. More funding fairness and equality for the transit dependent is needed.

Director Alatorre agreed that this was not the ideal budget but was in fact one of reality. Funding is just not available for more buses on the street, better security, cleaner buses, etc. If additional funds become available from Proposition C the budget can always be amended. He said that one of the problems seems to be that the people at the LACTC are more interested in trains than buses. The true user of transportation is the bus user, not rail.

On question, General Manager Pegg said that to provide the same level of service, same fares, clean buses and a balanced budget without Proposition C funds would result in an 11% cut in service and approximately a 34% increase in fares.

Discussion centered around providing the same or better service and approaching the LACTC for funds to cover the shortfall. Directors Swanson and Braude expressed concern that the LACTC just approved hiring 52 additional employees. President Holen said that a motion by Mayor Bradley was approved to defer this matter and refer it to the Merger Steering Committee.

The opinion expressed by several Directors was that this budget does not include what the District would like to provide but what we can provide considering the funding availability.

President Holen said that the LACTC has approximately \$173 million so far from the two propositions. The matter will be brought back to the LACTC Policy Board to discuss funding availability for the District's shortfall. He recommended that the budget be adopted for a one month period.



Director Patsaouras said that the Board needs to make a commitment that this is the budget and the service that will be provided, then go find the funding.

Director Tolbert made a substitute motion to adopt the budget for a two month period. There was no second to this motion.

On a roll call vote the budget was adopted as set forth below:

Ayes: Braude, Fukai, Patsaouras, Raggio, Storing,  
Swanson, Tolbert  
Noes: Villaraigosa  
Abstain: Holen  
Absent: Alatorre, Knabe

- a. ADOPTED the proposed Fiscal Year 1993 Annual Budget;
- b. APPROVED Adjustment to the Non-Contract salary schedule by 4.7% with actual pay adjustments to vary with performance evaluations; and
- c. AUTHORIZED execution and filing of necessary documents to secure all required operating and capital revenue for Fiscal Year 1993.

President Holen instructed staff to bring back to the Board monthly a report showing the deficit already incurred.

9. RECEIVED AND FILED Reduced Fare Program status report #3.

UNANIMOUS, with 6 Directors present

Staff reported that ticket sales have increased approximately 130% from May to June. Trends indicate there will be another increase from June to July. Ridership had been projected to increase 2% per month while in reality it has increased 3-8% and only one bus has been added. Approximately 50 new sales outlets have been added to accommodate patrons.

Director Patsaouras requested information on ridership and costs, both projected and actual.

Director Raggio said that patrons complaining about overcrowding need to be told that with the lower cash fare and increased patronage, we do not have the funds to increase service. It was noted that the cost of the Reduced Fare Program is not included in the budget shortfall.

Director Villaraigosa indicated that Supervisor Molina is prepared to commit funds if the federal government does not provide any subsidy. Supervisor Hahn previously pledged \$2 million in Proposition A dollars if funds are not received from the federal government.

10. APPROVED submission of the Equal Opportunity Program to the Federal Transit Administration (FTA).

UNANIMOUS, with 6 Directors present

PERSONNEL & LEGAL COMMITTEE

31. APPROVED Side Letter of Agreement No. A92-01 between SCRTD and the Amalgamated Transit Union, Local 1277, regarding the Implementation Agreement negotiated in compliance with the February 25, 1981 Section 13(c) Agreement for the Metro Rail Project; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

32. WITHDRAWN BY STAFF Side Letter of Agreement No. U92-03 between SCRTD and United Transportation Union.

EQUIPMENT, OPERATIONS & ACCESSIBLE TRANSPORTATION COMMITTEE

33. APPROVED contract with Goodyear Tire and Rubber Co., Akron, OH and took the following action:

- a. Requisition 2-3399-190 and RATIFIED a contract amendment covering tire leasing and service for April and May, 1992 for an estimated additional cost of \$1,000,000; and
- b. Requisition 2-3399-191 and the second year option for tire leasing and service for the period June 1, 1992 through May 31, 1993 for an additional estimated cost of \$7,000,000;

increasing the total amount of the contract to \$15,000,000; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

FACILITIES & CONSTRUCTION COMMITTEE

34. CARRIED OVER TO THE NEXT MEETING a recommendation to waive the requirement of publishing "Notice of Intent to Sell" per Section 9 of the District Rules and Regulations, and convey direct to Arnold Carlson approximately 27,968 square feet of unimproved land located on the westerly boundary of Division 10 for an all cash consideration of \$10 per square foot of land; form of documents subject to approval of the General Counsel.

A motion setting forth the committee recommendation that the property not be sold at this time and that a "For Sale" sign be placed on the property to test the market was offered and seconded.

Following discussion on the property location, use and expenses to maintain, Director Storing made a substitute motion to approve staff recommendation. Director Swanson requested an amendment to the substitute motion that the money from this sale be earmarked for something other than the general budget, i.e., cleaning of buses. Also added to the motion was a stipulation that any graffiti placed on the back wall of the building the new owner plans to build would be removed within 48 hours. These amendments were accepted by Director Storing. This substitute motion failed on a 5-3 vote with 3 Directors absent.

The original motion was then voted upon and failed on a 5-3 vote with 3 Directors absent.

Staff was instructed to bring this item back to the Board at a subsequent meeting.

49. Considered item arising subsequent to the posting of the agenda.

On motion duly made, seconded and unanimously carried, Item 49B was added to the agenda with 6 Directors present. This related to Foothill Transit Zone operating over District routes 486 and 488.

A motion was made and seconded to continue negotiations with all parties to reach final amicable resolution of outstanding issues. The negotiations are to include operational people and representatives from the Unions.

On query, staff responded that any decline in ridership figures are not as yet available.

E. R. Clark, General Chairman, United Transportation Union, appeared requesting the Board to take a firm stand against Foothill Transit and continue operation of Lines 486 and 488 as they rightfully belong to the District.

Director Raggio noted that his motion purposely did not include funding for Foothill Transit to operate these lines. Director Tolbert referred to the recent court order that said the District did not have authority to give any lines away and that the District is obligated to continue operation on these lines.

Director Raggio suggested that the letter from N. Peterson, LACTC Executive Director, to Alan Pegg, SCRTD General Manager, should be ignored and the District should continue operation of these lines and negotiate with all parties.

E. Clark was asked if he had met with Mike Riley, President JC 42 Teamsters, to discuss this matter. Mr. Clark indicated he had not as it was understood that these lines would be retained by the District, but he would get in touch with him.

At the conclusion of the discussion, President Holen stated that no formal vote by the Board is needed.

MARKETING & CUSTOMER INFORMATION COMMITTEE

35. APPROVED Requisition 2-1600-15 and an option with Holo-Graphics Printers, Inc., Irvine, covering counterfeit resistant monthly bus passes for one additional year at an additional estimated cost of \$312,844 for a total contract amount of \$650,000; form of option subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

36. APPROVED Requisitions 2-1600-70 and 2-1600-72 and an amendment to the Memorandum of Understanding (MOU) with the City of Los Angeles and the Los Angeles County Transportation Commission (LACTC) covering participation in the third year of the City of Los Angeles/ County-wide Dial-One-Number Telephone Information demonstration project, for an estimated additional revenue of \$1,275,000, and a total estimated revenue of \$4,351,000; form of amendment subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

ADVANCE PLANNING COMMITTEE

37. CONSENTED to a request by the City of Beverly Hills to operate a summer and holiday trolley shuttle to become effective June 30, 1992; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

38. APPROVED proposed bus lease rates for Fiscal Year 1992-93.

UNANIMOUS, with 7 Directors present

39. APPROVED modification to consent to Antelope Valley Transit Authority (AVTA) and APPROVED a minor route change to Commuter Express Line 787.

UNANIMOUS, with 7 Directors present

40. ADOPTED a resolution authorizing participation in the Los Angeles County Coordinated Paratransit Network; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

41. APPROVED a FY 1993 Support Services Agreement with the Los Angeles Department of Transportation (LADOT) for its Bus Service Continuation Project (BSCP) and Commuter Express Lines; form of agreement subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

#### POLICE & PUBLIC SAFETY COMMITTEE

42. APPROVED a contract with the City of Redondo Beach to provide Transit Police Officers at the Galleria Transit Terminal located at 1815 Kingsdale Ave., Redondo Beach; form of contract subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

#### GOVERNMENT RELATIONS COMMITTEE

43. RECEIVED AND FILED the State Legislative update and went on record that the quarterly meetings between the SCRFD and LACTC Boards continue.

UNANIMOUS, with 7 Directors present

44. RECEIVED AND FILED the Federal Legislative update.

UNANIMOUS, with 7 Directors present

FINANCE & JOINT DEVELOPMENT COMMITTEE

45. APPROVED Requisitions 2-7200-52, 2-7200-53 and 2-7200-54 and contract amendments with International Business Machines (IBM) Corp., Los Angeles, covering system hardware maintenance, software license fees/maintenance and systems engineering services in the amount of \$2,560,050, for a one-year period; form of contract amendments subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

46a. RATIFIED filing and execution of a Section 3 Grant Application to FTA for the development of an Advance Technology Transit Bus (ATTB);

b. SCHEDULED a public hearing for Thursday, July 9, 1992 at 1:00 p.m.; and

c. REQUESTED the Los Angeles County Transportation Commission to amend the Fiscal Year 1992 Transportation Improvement Program (TIP) to include funds for the first phase of the ATTB project.

UNANIMOUS, with 7 Directors present

47. RATIFIED the filing and execution of a Section 8 grant amendment to expand the scope of work of the Universal City Parking Facilities Planning Study; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

48. APPROVED Requisition 2-7100-37 and final option with Federal Armored Express, Inc., Baltimore, MD., covering the Blue Line ticket vending machine (TVM) cash collection services for an additional year at an additional estimated cost of \$427,000 for a total contract amount not to exceed \$1,214,000; form of option subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

GENERAL ITEMS

- 49a. Consider items arising subsequent to the posting of the agenda.

On motion duly made and seconded with 7 Directors present, item 49a was added to the agenda.

ADOPTED resolution authorizing the sale of the particular property and acquisition of the particular property and easements at the Union Station Gateway Site ("Land Exchange") described in the Development Agreement dated October 30, 1991 between the District and Catellus Development Corporation (CDC); form of documents subject to approval of the General Counsel.

UNANIMOUS, with 7 Directors present

50. Public Comment

Appearance of P. Moser speaking to transit matters.

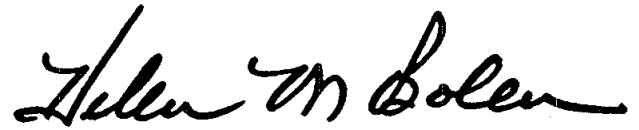
Appearance of M. Haber, Centinela Valley Juvenile Diversion Project, requesting the Board's participation in a program wherein juvenile offenders are made to make restitution. Ms. Haber was requested to contact Mr. Pegg's office for referral.

Appearance of K. Horton protesting graffiti on the buses and operator's lack of response. Chief Papa will investigate.



3. Recessed to Closed Session at 4:08 p.m. to consider litigation, personnel and real estate matters and labor negotiations.

Adjourned at 4:14 p.m.



Helen M. Bolen  
District Secretary