

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

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

October 22, 1992

Called to order by Vice President Storing at 12:03 p.m.:

Directors Present:

Charles H. Storing  
Evan Anderson Braude  
Nick Patsaouras  
Carl W. Raggio

Robert E. Ryan  
James L. Tolbert  
Antonio Villaraigosa

Directors Absent:

Richard Alatorre  
Mas Fukai

Marvin L. Holen  
Gordana Swanson

1. Recognized retirees.
2. Recognized employees of the month.
3. Recessed to Closed Session at 12:10 p.m. to consider personnel, litigation, real estate matters and labor negotiations. Returned at 12:45 p.m. with all Directors present except Directors Alatorre, Braude, Fukai, Holen and Swanson.

ITEMS WERE CONSIDERED IN THE FOLLOWING ORDER.

8. Received and filed status report on activities to prepare for the start-up of the Red Line.

During discussion, Director Raggio asked about risks with respect to an early start date. Mr. Leahy responded that the official start date is March, 1993. Critical issues that must be resolved before start of revenue operation is sufficient training, adequate number of 'accepted' cars and parts. Director Patsouras asked about security. Mr. Pegg replied that a significant number of Transit Police officers are being trained.

Jane Ellison, representing Mayor Bradley, spoke about a meeting held recently with Messrs. Holen, Leahy, Peterson, McSpedon and Pegg. During that meeting a commitment was made to provide 60 days advance notice of the opening date. In a follow up conversation with Mr. Peterson of LACTC, on October 21, Mr. Peterson indicated that December 21 is not a viable start date and he could not give an exact date.

Director Villaraigosa spoke about the safety issues and stressed the importance of the District participating in determining the start-up date; we will not be a passive observer. A motion was offered, seconded and unanimously carried with 6 Directors present, that the Metro Red Line System will not open without a sixty (60) day notice and the formal concurrence of the RTD Board.

Recessed at 1:10 p.m. to conduct Public Hearing returning at 1:19 p.m.

4. Report of the President

No report was made.

5. Report of the General Manager

General Manager Pegg reported on the APTA Annual Meeting that was held in San Diego October 18-21. He reported the District received a plaque and recognition for their efforts hosting the APTA Rail Conference in June.

The District also received the Excellence in Financial Reporting award from the Government Finance Officers Association. Mr. Pegg complimented T. Rubin, Controller-Treasurer, and his staff, as well as G. Spivack and his staff for their statistical assistance.

Mr. Pegg noted that the President had signed into law HR 5518 transferring MOS-1 from the District to the LACTC. Work is in progress to effect that transfer. It is expected that it will take approximately ninety days to complete the transfer.

As a follow up to previous Board action, Mr. Pegg reported that Excel Security has been providing security services on the Blue Line on a month-to-month extension pending their efforts to meet the required DBE goal. Excel Security has not met that goal.

6. Director Special Items

Director Villaraigosa reported on the APTA Annual Conference he attended in San Diego. He and Director Tolbert participated in the People Moving Cities Workshop. Director Villaraigosa also reported that he has been appointed to the APTA Dues Commission.

Directors Villaraigosa and Ryan spoke to Assemblyman Katz's recent quotes regarding the alleged mismanagement of the District. On motion duly made, seconded and unanimously carried with 6 Directors present, Assemblyman Katz was invited to appear before the Board with his specific rather than general comments and his detailed plan for improving the management of the District.

CONSENT CALENDAR

On motion duly made, seconded and unanimously carried, items 9 through 20 on the Consent Calendar were approved in one motion with 6 Directors present.

- 9a. REJECTED non-responsive bid submitted by Railroad Contracting Equipment Co., Adel, Iowa; and
- b. APPROVED a contract with Nolan and Co., Canton, Ohio, the lowest responsive and responsible bidder under Bid No. 06-9218 covering procurement of three flat rail carts for a total bid price of \$35,007; form of contract subject to approval of the General Counsel.

10. APPROVED Requisition 2-7099-120 and amendment to a contract with O'Melveny & Myers and Ochoa & Sillas covering bond counsel services for financing the Union Station Gateway Center Project at a cost not to exceed \$100,000; form of documents subject to approval of the General Counsel.

To be reimbursed from USG Bond proceeds.

11. APPROVED a contract with Pan-Sierra Equipment Group, Inc., Sacramento, the lowest responsible bidder under Bid No. 08-9204 covering three Hi-Rail Trucks for a total bid price of \$126,131; form of contract subject to approval of the General Counsel.

This procurement funded under SCRTD/RCC Agreement covering Red Line activation.

12. APPROVED Requisition 2-7500-146 and an option with Employee Support Systems Co., Orange, covering an employee assistance program for District employees and their families for an additional year at an estimated cost of \$130,000; form of option subject to approval of the General Counsel.

13. Received and filed Report of Sales for the third quarter of 1992.

14. RECEIVED & FILED Report Calendar for October 9 through October 21, 1992.

15. RECEIVED & FILED Statement of Purchases for the month of September, 1992.

16. RATIFIED bus stop and zones report as filed with the Secretary.
  
17. RATIFIED temporary route diversions as filed with the Secretary.
  
18. APPROVED minutes of Board Meeting held September 24, 1992.
  
19. RECEIVED & FILED Treasurer's Report on District Investment of Funds for September, 1992.
  
20. RECEIVED & FILED Board Request List as of October 9, 1992.

PERSONNEL & LEGAL COMMITTEE

21. APPROVED Requisition 2-0992-0136 covering medical benefits at an estimated cost of \$9,258,000; Requisition 2-0992-0137 covering mental health benefits at an estimated cost of \$163,000; and Requisition 2-0992-0135 covering dental benefits at an estimated cost of \$670,000, as noted below:
- a. RENEWED the contract with Kaiser Foundation Health Plan;
  - b. RENEWED the contract with Pacificare Health Plan;
  - c. RENEWED the indemnity medical contract with the Hartford Life Insurance Co.;
  - d. RENEWED the managed mental health contract with American Psych Management of California;
  - e. ENTERED into an indemnity dental plan contract with Hartford Insurance Co.;
  - f. ALLOWED EXPIRATION of the indemnity dental plan with The Travelers;
  - g. RENEWED the group dental panel contract with Dental Health Services (DHS); and
  - h. RENEWED the group dental panel contract with Safeguard Health Plans.

form of documents subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

CARRIED OVER items i and j, award of basic life insurance contract.

UNANIMOUS, with 6 Directors present

22. APPROVED Requisition 2-0992-0140 and renewal of a contract with Standard Life Insurance Co. of Oregon (Standard) providing long-term disability insurance for non-contract, TPOA, Teamsters and selected Schedule Makers, for one year effective January 1, 1993, at an estimated cost of \$875,000; form of contract subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

7. Considered recommendation to approve Requisition No. 2-0990-0157 and authorize the Merger Steering Committee to hire the consultant to develop classification/salary structure, performance-based pay system, and pension and benefits recommendations for the LACMTA.

Approval of staff recommendation was moved, which motion was seconded. Director Villaraigosa spoke against the motion asking why the work couldn't be done in-house. Director Patsouras spoke in support, indicating that this effort must be done by outside consultants and this is the most important expenditure of funds to come before the Board recently. Director Patsouras offered a substitute motion that the cost be capped at a not to exceed \$500,000, which substitute motion was seconded, but eventually withdrawn by Director Patsouras following additional discussion. The original motion was lost as Director Villaraigosa stated his objection. After further discussion, a motion was made, seconded and unanimously carried to reconsider. A motion was made to approve the staff recommendation modified to contain the not to exceed \$500,000 amendment and a breakdown of the MBE and WBE components included. This motion was seconded and unanimously carried with 6 Directors present. These expenses will be funded 50% by the SCRTD and 50% by the LACTC.

#### EQUIPMENT, OPERATIONS & ACCESSIBLE TRANSPORTATION COMMITTEE

23. REJECTED non-responsive bid submitted by W. T. Ballard, Santa Fe Springs, and APPROVED a contract with J. Ryan & Associates, Canoga Park, the lowest responsive and responsible bidder under Bid No. 05-9205 covering procurement of two storage carousels with manlifts for a total bid price of \$77,770; form of contract subject to approval of the General Counsel.

This project funded under the SCRTD/RCC Agreement covering Red Line activation.

UNANIMOUS, with 6 Directors present

24. APPROVED Requisition 2-3360-8 and a contract with Pettibone Michigan, Baraga, Michigan, the lowest responsive and responsible bidder covering procurement of One (1) Speed Swing in the amount of \$142,630; form of contract subject to approval of the General Counsel.

This procurement funded under the SCRTD/RCC Agreement covering Red Line activation.

UNANIMOUS, with 6 Directors present

- 25a. REJECTED non-responsive bids submitted by Fountech Corp., Gardena; Integrated Computer Services, Baldwin Hills; ESA Micro, Palmdale; California Computer Services, Pasadena; Comtrade, City of Industry; Data System Service, Huntington Beach; and, Micro Trends International, Pasadena;
- b. APPROVED Requisition 2-4200-111 covering four Personal Computer Systems, and a contract with First Computer, Los Angeles, under Bid No. 01-9230 covering procurement of 39 Personal Computer Systems, at a cost \$125,009; and
- c. AUTHORIZED, under the Bid option provision, the procurement of up to twenty additional Personal Computer Systems within 180 days after award for a total estimated cost of \$64,000;

for a total estimated cost of \$189,009; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

26. ADOPTED a Grievance Procedure in compliance with the Americans with Disabilities Act (ADA).

UNANIMOUS, with 6 Directors present

## EXECUTIVE COMMITTEE

37. APPROVED Requisitions 2-5099-26 and 2-5099-27 and first year options covering consultant services for Office of Inspector General as follows:

- a. R. J. Miranda & Co., Los Angeles, for an additional estimated cost of \$100,000; and
- b. Grant Thornton, Los Angeles, for an additional estimated cost of \$100,000;

form of options subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

## FACILITIES & CONSTRUCTION COMMITTEE

27. APPROVED a contract with Stone and Webster Engineering Corp., Los Angeles, under RFP 91-92, covering engineering consulting services for various alternative fuels projects for a total contract amount of \$727,137; form of contract subject to approval of the General Counsel.

A portion of this project funded under FTA Grant CA-08-0250.

UNANIMOUS, with 6 Directors present

28a. REJECTED the non-responsive bids submitted by National Electrical Contractors, Tarzana; and Procon Development and Engineers, Santa Monica; and

b. APPROVED a contract with Monterey Building Economic Development Co., (MBEDC), Monterey Park, the lowest responsive and responsible bidder covering residential sound insulation at 729 and 843 Huntley Dr. in the vicinity of Division 7 (WEST HOLLYWOOD) for a total bid price of \$72,000; form of contract subject to approval of the General Counsel.

This procurement is funded in part under FTA Grant CA-90-X329.

UNANIMOUS, with 6 Directors present

29. APPROVED Requisition 2-0990-154 and an option with JCI Environmental Services, Los Angeles, covering liquid waste disposal for a one-year period for an additional estimated cost of \$1,200,000 for a revised total contract amount not to exceed \$2,343,000; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

#### CUSTOMER RELATIONS & PUBLIC INFORMATION COMMITTEE

30. APPROVED Requisition 2-1600-89 and an option with Datagraphic Computer Services, Inc., North Hollywood, covering data processing/packaging fulfillment services for student reduced fare identification programs, for an additional year at an estimated cost of \$160,260 for a total contract cost not to exceed \$320,260; form of option subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

#### ADVANCE PLANNING COMMITTEE

31. CONSENTED to a request by the City of Diamond Bar for the proposed Holiday Shuttle bus service which will operate only during the holiday season from November 24 through December 31, 1992; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

32. APPROVED agreements with Foothill Transit Zone as noted below:

- a. Shared Use Agreement for El Monte busway stations for the period from October 1, 1992 through June 30, 1993;
- b. extension of the current Pass Reimbursement Agreement through November 30, 1992, contingent upon a resolution of the reimbursement of past overpayments issue; and
- c. for disposition of all District property at bus stops which are not shared with the District which shall include a "hold harmless" clause indemnifying the District against future liability claims that may arise from Foothill Transit's continued use of those bus stops;

form of documents subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

33. CONSENTED to a request by the City of El Monte for the proposed operation of a Metrolink Shuttle service proposed to commence operation October 26, 1992, and use of an area within the El Monte Station for boarding and alighting services; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

34. CONDITIONALLY CONSENTED to a request by the Santa Monica Municipal Bus Lines to relocate the terminus of Line 10 from Third and San Pedro Streets to Alameda and Ord Streets in downtown Los Angeles; form of consent subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

35. APPROVED the findings of Public Hearing held September 17, 1992 for bus route modifications in support of MOS-1.

UNANIMOUS, with 6 Directors present

36. **CONDITIONALLY APPROVED LADOT's Bus-Rail Interface Plan for Metrolink service to commence October 26, 1992; form of documents subject to approval of the General Counsel.**

**UNANIMOUS, with 6 Directors present**

**POLICE & PUBLIC SAFETY COMMITTEE**

41. **APPROVED extension of the Los Angeles County Sheriff's Department Blue Line Grade Crossing Enforcement Program from October 1, 1992 through June 30, 1993.**

**LACTC has agreed to fund the program.**

**UNANIMOUS, with 6 Directors present**

**RAPID TRANSIT COMMITTEE**

42. **RECEIVED & FILED status report on implementation of the Electric Trolleybus (ETB) Demonstration Project.**

**UNANIMOUS, with 6 Directors present**

**GOVERNMENT RELATIONS COMMITTEE**

38. **RECEIVED & FILED State Legislative update.**

**UNANIMOUS, with 6 Directors present**

39. **RECEIVED & FILED Federal Legislative update.**

**UNANIMOUS, with 6 Directors present**

40. APPROVED Requisition Nos. 2-1400-53, 2-1400-54 and 2-1400-56 extending contracts covering government liaison activities at the state and federal level for an eight month period ending June 30, 1993, with:

- a. Palumbo & Cerrell, Inc., for an estimated cost of \$75,467
- b. Cerrell Associates, Inc. in an amount of \$16,333; and
- c. Charles Olsen Associates in an amount of \$43,333;

for a total amount of \$135,133; form of contract extensions subject to approval of the General Counsel.

UNANIMOUS, with 6 Directors present

#### GENERAL ITEMS

43. APPROVED change in schedule of Board Meetings for the months of November and December, 1992 as noted in the General Manager's report dated October 16, 1992.

UNANIMOUS, with 6 Directors present

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

45. Public Comment

Appearance of B. Allen speaking on transit related matters.

There being no further business, the meeting adjourned at 1:50 p.m.

  
Helen M. Bolen  
District Secretary