SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

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

January 28, 1993

Called to order at 12:19 p.m. by President Holen

Directors Present:

Marvin L. Holen
Charles H. Storing
Richard Alatorre (arr. 12:35 p.m.)
Evan Anderson Braude
Mas Fukai
Nick Patsaouras

Carl W. Raggio
Robert E. Ryan
Gordana Swanson
James L. Tolbert
Antonio Villaraigosa

1. Received a presentation and proposal by Paul Chastain & Associates, Long Beach demonstrating revolving advertising signs.

Mr. Paul Chastain of Paul Chastain & Associates, indicated their proposal was for the Blue Line system and their shop would be located in the general area of the Blue Line. They proposed placing signs in stations with security gates around the platform.

Director Storing asked about possible income for the District. He requested staff to review the proposal and report back to the Board.

2. Recognized Lonnie Anders, Operator of the Month; Andy Paczkowski, Maintenance Employee of the Month; and Andrea Smith, Information Operator for December, 1992.

- 3. Recognized Operator Charles E. Williams, Division 7, for heroism while on duty.
- 4. Retirees Nathaniel Cain, William Jackson, Gerald Lacey, Samuel McReynolds, Antonio Palacios, Charles J. Sailor, William F. Stelly, Dudley Weddaburne and Charles E. Williams were recognized by the Board.
- 6. Report of the President

President Holen said that the LACTC will support the SCRTD Transit Police as provider of security on the Metro Red Line. He complimented Directors Alatorre, Patsaouras and Villaraigosa for their efforts in making this happen.

Chief Papa was complimented for an efficiently run department and the high morale she has restored to that department.

7. Report of the General Manager

General Manager Pegg reported that on Tuesday the contract to build the 'stealth bus' was signed with Northrup Development.

8. Received and filed the Final Report on the Four-Month Reduced Ticket Program.

UNANIMOUS, with 11 Directors present

Director Villaraigosa thanked members of the Board for their support of this program. Director Fukai said that the number of people this program helped went beyond the reported ridership.

Director Ryan suggested a Sunday Family Fare for 25 cents. Staff was requested to review the possibility and bring a report to the Board that included any financial impact.

Appearance of J. Walsh on transit matters. Mr. Handy also appeared before the Board speaking about a Sunday 25 cent fare that was in effect approximately five years ago.

30. Considered Workers' Compensation Third Party Administrator contract.

At the request of Board members, staff reviewed the recommendation and the alternatives presented, along with the process that was followed in evaluating the firms.

Director Braude made a motion to award the Workers' Compensation Third Party Administrator (TPA) contract to Hertz Claims Management Corp. (HCM) for a five year period. This motion was seconded by Director Storing.

Appearance of J. Davis, Asst. Vice President of Associated Risk Services (ARS), West Coast Division. Mr. Davis said that ARS was willing to propose a joint venture for DBE for continued administration of the contract and would also propose to do so with the proposed six month extension.

Appearance of various firms; the majority in favor of awarding the contract to HCM. Several firms indicated their opportunities for DBE participation was more favorable with HCM.

Appearance of F. Cool, Vice President HCM, requesting the Board award the contract to their firm. Mr. S. Mock, HCM, commented on their successful DBE program on their handling of the District's PL & PD and indicated they felt they could accomplish the same if awarded the contract for Workers' Compensation Third Party Administrator.

Director Villaraigosa noted that DBE participation is important but that it is not the only criteria.

Director Patsaouras requested a break-down of HCM's DBE participation by ethnic group and the type of work assigned for the PL/PD contract administration.

On question, T. Rubin indicated that award of the contract to HCM would cost the District more but it includes more work than the original contract; but, based on experience with both firms, it is believed that HCM can save the District more in the end.

On further query, N. Eksterowicz, RTD Claims Manager for both PL & PD and Workers Compensation, reported that overall management stability has been less than desirable with ARS; there has been much management and staff turnover with ARS whereas HCM has experienced very little. She also indicated that our employee complaints about ARS service has kept two of her four employees busy.

On a Roll Call vote indicated below, the following action was taken:

APPROVED contract with Hertz Claims Management Corp., Glendale, under RFP 92-03 covering the Workers' Compensation Third Party Claims Administrator for a five year period; form of contract subject to approval of the General Counsel.

Ayes:

Alatorre, Braude, Fukai, Raggio, Ryan, Swanson, Storing, Tolbert, Villaraigosa, Holen

Noes: None

Abstain:

Patsaouras

Absent:

None

The Board recessed at 2:25 p.m. returning at 2:33 p.m. with all Directors present except Director Villaraigosa.

9. Received and Filed status report on preparations for the start-up of the Red Line.

UNANIMOUS, with 8 Directors present

Appearance of J. Walsh and T. Hays concerning safety and restroom facilities for the Metro Red Line.

10. Received and filed status report on the 90-day pilot program to increase service and security on Line 204, funded by District II County Supervisor Yvonne Brathwaite-Burke.

UNANIMOUS, with 8 Directors present

11. Received and filed status report on graffiti issues.

12. APPROVED processing of funding for the Union Station Gateway (Gateway) project, pursuant to the Design and Construction Agreement with Union Station Gateway, Inc. (USG), as and to the extent said funds are obtained from various funding sources; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 8 Directors present

CONSENT CALENDAR

On motion duly made, seconded and unanimously carried with 8 Directors present, Items 13, 14 and 17 through 25 on the Consent Calendar were approved as noted below. Item 15 was withdrawn by staff. Consideration of Item 16 was taken at the end of the Consent Calendar.

- 13. WAIVED Section 9.1 of the Rules and Regulations to allow for the disposal of 45 surplus or obsolete buses by offsite auction for a total estimated revenue of \$84,000, less auctioneer and towing fees; form of documents subject to approval of the General Counsel.
- 14. APPROVED a contract to Exide Corp., Anaheim, the lowest responsive and responsible bidder under Bid 12-9218 covering procurement of bus and automotive batteries for a total bid price of \$376,147; form of contract subject to approval of the General Counsel.

15. WITHDREW procurement of Methanol/Alcohol and Aldehyde Emission Sampling System.

- 17. APPROVED a contract to Epoch Industries, Los Angeles, the lowest responsive and responsible bidder under Bid No. 11-9205 covering procurement of Neoplan radiator door modifications for a total bid price of \$56,019; form of contract subject to approval of the General Counsel.
- 18. APPROVED Requisition 2-3380-71 and a sole source contract to Transtech of South Carolina, Piedmont, South Carolina, covering Light Rail vehicle carbon contact strips for an estimated annual cost of \$151,778; form of contract subject to approval of the General Counsel.
- 19. APPROVED Requisition 2-3399-334 and an option with Reynolds Buick-GMC, West Covina, covering two additional cab and chassis trucks under Bid No. CA-90-X377-N, for an estimated cost of \$46,223; form of option subject to approval of the General Counsel.

This procurement funded under FTA Grant No. CA-90-X377.

- 20. APPROVED contracts with the nine highest bidders covering sale of surplus and obsolete bus parts and miscellaneous items under Bid No. 12-9216-S for a total revenue of \$28,091, excluding sales tax; form of documents subject to approval of the General Counsel.
- 21. Received and filed Report of Sales for the 3rd quarter of 1992.
- 22. Received and filed Report Calendar for January 15 through January 27, 1993.

- 23. Received and filed **Statement of Purchases** for the month of December, 1992.
- 24. RATIFIED bus stops and zones report as filed with the Secretary.
- 25. Received and Filed Board Requests as of January 15, 1993.
 - On question of Director Swanson item 16 was carried over to the next meeting.
- 16. CARRIED OVER contract to cover **drug testing** for District employees and employment candidates.

UNAMIMOUS, with 8 Directors present

PERSONNEL & LEGAL COMMITTEE

26. Received and filed status report regarding Final Phase I (new MTA employees) recommendations and progress of three studies (benefits, classification and performance based compensation).

EQUIPMENT, OPERATIONS & ACCESSIBLE TRANSPORTATION COMMITTEE

27. APPROVED Requisition 3-3900-006 and an option with Xerox Corp., Los Angeles, covering lease of copier machines, for a cost increase of \$500,000 for a total estimated contract cost of \$1,412,380; form of option subject to approval of the General Counsel.

UNANIMOUS, with 8 Directors present

28. CARRIED OVER procurement of electrical supplies.

UNANIMOUS, with 8 Directors present

29. APPROVED Requisition 3-3360-01 and a sole source contract with BREDA Construction Ferroviarie, Pistoia, Italy, covering spare parts for Metro Red Line under Contract A650 for an estimated cost of \$94,777; form of contract subject to approval of the General Counsel.

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

31. APPROVED:

- a. rejection of non-responsive bids submitted by Unisource Inc., Los Angeles, LaSalle Paper Co., Santa Fe Springs; and Tri-Challenge West, Calabasas;
- b. award of contracts to:
 - 1. Paper Boys, Hawaiian Gardens, covering items 26, 35 and 36 for an estimated annual cost of \$5,061;
 - 2. Pineda Office Products, Pomona, covering items 18,29 and 31 for an estimated annual cost of \$77,954;
 - 3. A & R Brokers, Los Angeles, covering items 1 through 12, 15 through 17, 19 through 25, 27, 28, 30, 32, 33, 34, and 37 through 42 for an estimated annual cost of \$1,190,134; and
 - 4. V & M Paper, Los Angeles, covering items 13 and 14 for an estimated annual cost of \$91,388;

covering the District's printing and copier paper for a one year period, with an option for an additional year, for a total estimated annual cost of \$1,364,536; form of contracts subject to approval of the General Counsel.

UNANIMOUS, with 8 Directors present

ADVANCE PLANNING COMMITTEE

32. CONSENTED to the Burbank Media District Transportation Management Organization (TMO) request for the operation of three MetroLink Shuttle Services; form of documents subject to approval of the General Counsel.

EQUAL OPPORTUNITY & AFFIRMATIVE ACTION COMMITTEE

- 33a. ADOPTED a modification to the DBE Program to allow the Southern California Rapid Transit District to accept the certification of DBE firms by the Los Angeles County Transportation Commission that meet the District's standards;
- b. AUTHORIZED staff to accept DBE certification from other agencies with programs which meet the District's standards for implementation; and
- c. AUTHORIZED staff to actively encourage other agencies to use the District's DBE certification process.

UNANIMOUS, with 8 Directors present

FINANCE & JOINT DEVELOPMENT COMMITTEE

34. ADOPTED a resolution and AUTHORIZED District Officers to complete the sale of approximately \$60 million in Revenue Anticipation Notes (RANS) to raise cash for District operating costs in Fiscal Year 1993; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 8 Directors present

35. APPROVED a contract to the single bidder Cornerstone Systems, Inc., Burbank, under Bid No. CA-90-X416-H covering three computer mainframe Direct Access Storage Devices for a total bid price of \$66,545; form of contract subject to approval of the General Counsel.

This procurement is funded under FTA Grant CA-90-X416

GENERAL ITEMS

- 36. There were no items arising subsequent to the posting of the agenda.
- 37. Public Comment

None

5. Recessed to Closed Session at 2:52 p.m. to consider personnel, real estate and litigation matters and labor negotiations. Adjourned the meeting at 2:54 p.m.

Helen M. Bolen

District Secretary