

16
SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

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

December 17, 1987 - 1:00 p.m.

Called to order by President Hall

Directors Present:

Jan Hall
Carmen A. Estrada
John F. Day
Marvin L. Holen
Erwin N. Jones

Nick Patsaouras
Jay B. Price
Charles H. Storing
Gordana Swanson
Kenneth R. Thomas

Director Absent:

Joseph S. Dunning

1. Certificates of Merit presented by Director Storing to:
 - a. Monica Macon, Information Operator-of-the-Month; and
 - b. John W. Dawson, Operator-of-the-Month.

2. Report of the President

President Hall announced that today's meeting would be adjourned in memory of Richard K. Kissick, former District Secretary, who passed away on December 8, 1987. She also instructed the District Secretary to transmit a resolution to the family of Mr. Kissick.

3. Report of the General Manager

General Manager Dyer reported that the District was successful in the Benefit Assessment District validation lawsuit. The case will be appealed by the plaintiff.

The General Manager also mentioned a report in the press about a 17% reduction in complaints about District service. He commended staff members Robert Williams, Robert Korach and Leilia Bailey for their efforts and hard work.

The report, prepared by the Southern California Association of Governments (SCAG), on the FY 1988-92 Regional Transit, was mentioned. The General Manager indicated this was the first realistic assessment of public transportation in Southern California.

With regard to the federal budget allocation process, General Manager Dyer reported that the figures should be available on December 18.

In conclusion, it was recommended that the Board consider calling a Special Meeting on January 7, 1988, as a number of items were deferred from this agenda. On motion duly made, seconded and unanimously carried, the Board approved the calling of a Special Meeting on January 7, 1988 at 1:00 p.m.

4. Director Special Items

a. Discussion of the Office of Inspector General.

Director Day spoke to his frustration on this subject, indicating it was his intent to bring this item for action by the Board. Unfortunately, the agenda language limits the Board's universe to discussion, not action. In conclusion, Director Day asked that the Board approve the inclusion of a discussion and action regarding the Office of the Inspector General on the agenda at the next scheduled Board meeting.

In response to an inquiry, Acting General Counsel Gifford advised the Board that because the language was not sufficient to advise the public that possible action could be taken on this item, discussion of the Office of Inspector General could be held, but no motions on this subject could be voted on at today's meeting.

During discussion, Director Estrada inquired as to when the Office was established. The response was March, 1987. Director Estrada's questions regarding audit authority were answered, indicating that the General Manager had given the Inspector General the authority requested. There were also questions concerning the reporting authority, with the General Manager indicating the Board has the authority to hire five (5) officers. Two of the five officers have special conditions attached; i.e., the General Counsel must have seven years of legal experience and permitted to practice law in the Supreme Court of California; the Auditor must have seven years of accounting experience preceding appointment.

In conclusion, Mr. Dyer indicated he would bring a report to the Board at the next meeting.

Director Estrada asked when the Board would receive a report on the parts inventory, with the General Manager indicating that the Board would receive the report when the audit report becomes final. In further clarification, the Inspector General indicated that the report was being done by an outside audit firm. At about the time the report was being finalized, a policy was formulated formalizing the process for responses to the Office of the Inspector General. The contract auditor had to re-examine the entire record with the responses to the draft audit. He concluded by stating that the report is scheduled to be released on January 14.

Director Estrada requested, at a minimum, a quarterly report on the Office of the Inspector General.

On a different subject, Director Swanson requested that a plan be put together no later than the end of January for the Local Government Affairs Committee to start meeting throughout the region. The purpose is to allow members of the community to participate in committee meetings.

CONSENT CALENDAR

Items 5, 6, 7 and 11 on the Consent Calendar were held for discussion and item no. 12 was removed from the agenda by staff. All other items on the consent calendar were approved in one motion.

8. Authorized execution of contracts with the lowest responsible bidders under Bid No. 01-8729 covering procurement of fluorescent lamps and ballasts for a one-year period, with options for one additional year at the election of the District, to:
- a. West Lite Supply, Los Angeles, covering Group 2 for an estimated annual cost of \$28,090;
 - b. Utility Industrial, Los Angeles, covering Group 3 for an estimated annual cost of \$18,460;
 - c. Robert Winks Associates, Huntington Beach, covering Group 1 for an estimated annual cost of \$4,900;

form of contracts subject to approval of the General Counsel.

UNANIMOUS, with 10 Directors present.

9. Authorized amendment to the contract with the County of Los Angeles extending the Youth Employment/Bus Cleanliness Program from December 31, 1987 to September 9, 1988 at an additional cost to the County of Los Angeles of \$260,000; form of contract amendment subject to approval of General Counsel.

UNANIMOUS, with 10 Directors present.

10. Approved Requisition No. 7-3520-267 and exercise of an option for one additional year with Montgomery Elevator, Gardena, covering elevator maintenance and repair services at an additional estimated cost of \$55,000, for a total estimated contract cost of \$301,042; form of option subject to approval of the General Counsel.

UNANIMOUS, with 10 Directors present.

CONSENT CALENDAR - Cont'd.

13. Approved Requisition No. 7-7200-181 and amendment to existing contract with CUC Services, Newport Beach, covering additional computer consulting services, increasing the cost by an additional \$20,800 to a total contract cost of \$41,600; form of contract amendment subject to approval of the General Counsel.

UNANIMOUS, with 10 Directors present.

14. Received and filed Report Calendar - December 4 through 10, 1987.

UNANIMOUS, with 10 Directors present.

15. Received and filed the Metro Rail Construction Change Order Report for November, 1987.

UNANIMOUS, with 10 Directors present.

16. Received and filed report of District Investments for November, 1987.

UNANIMOUS, with 10 Directors present.

17. Approved minutes of Board meeting held November 12, 1987.

UNANIMOUS, with 10 Directors present.

CONSENT CALENDAR - Cont'd.

5. Considered contract with Pool/Sarraille Advertising, Los Angeles, covering professional advertising agency services.

Director Patsaouras made a motion to reject this item, which motion was seconded and discussion followed.

General Manager Dyer requested that this item be withdrawn from the agenda, indicating that staff would provide a program for the expenditure of the contract amount and a plan for the ridership program. Director Patsaouras agreed to withdraw his motion.

Staff informed the Board that this contract has the potential of generating additional revenues, and the District does not have staff on board to carry out the design work, etc. for the communications media.

On motion of Director Day, seconded and carried with 10 directors present, this item was put over to the next meeting.

6. Considered contracts covering audit services for the Office of the Inspector General.

Director Swanson, after discussion on the staff recommendation, made a motion that this item be returned to staff with instructions to reduce the cost, which motion was seconded. Director Price then made a substitute motion to accept the staff recommendation. This motion was seconded and discussion continued. Upon inquiry from Director Day, Director Price, as the maker of the motion, agreed to include the firm of Gilbert Vasquez & Company in the motion.

On a Roll Call vote, the substitute motion was approved as noted below and the following action was taken:

Ayes:	Day, Estrada, Hall, Patsaouras, Price, Storing, Thomas
Noes:	Holen, Jones, Swanson
Abstain:	None
Absent:	Dunning

Authorized one-year contracts, with options for one additional year at the election of the District, with the following firms covering audit services for the Office of the Inspector General under RFIQ No. 87-33:

- a. Howe and Associates, City of Industry;
- b. Peat Marwick Main, Los Angeles; and
- c. Gilbert Vasquez & Company;

at a combined annual cost not to exceed \$200,000 for all contracts; form of contracts subject to approval of the General Counsel.

7. Prior to voting on this subject, Director Storing inquired as to why the District should spend money to determine the methodology of ridership, with General Manager Dyer indicating that the District should realize a savings from this new methodology in the next budget.

On motion of Director Estrada, seconded and carried with 10 Directors present, the following action was approved:

Authorized execution of a contract with Multisystems, Inc., Cambridge, Massachusetts, under RFP No. 87-37 covering development of methodology to estimate ridership and define ridership characteristics for a total cost of \$77,911; form of contract subject to approval of the General Counsel.

11. Following questions from Directors Storing and Holen, Director Swanson moved approval of the staff recommendation, which motion was seconded and unanimously carried with 10 Directors present.

Approved Requisitions No. 7-9100-50 and execution of a contract with Med-Tox Associates, Inc. Tustin, covering consulting services to conduct a safety analysis in the District's Headquarters Building at an estimated cost not to exceed \$33,000; form of documents subject to approval of the General Counsel.

CONSENT CALENDAR - Cont'd.

12. WITHDRAWN by staff: Write-off of uncollectible accounts receivables.

(END OF CONSENT CALENDAR)

18. Recess to Closed Session to consider personnel and litigation matters was held to the end of the meeting.

19. NO Benefit Assessments appeals were considered.

PERSONNEL COMMITTEE

20. Approved Requisition No. 7-5100-27 and awarded a contract to Charles H. Olsen and Associates, Pacific Palisades, covering government liaison services at the State level for a one-year period at an estimated annual cost of \$50,388; form of contract subject to approval of General Counsel.

UNANIMOUS, with 10 Directors present.

21. Approved reclassification for the Assistant Inspector General - Internal Audits at Grade 21, with specific salary within Grade 21 to be negotiated, moving costs not to exceed \$25,000, with vacation and sick benefits to accrue at new employee rates.

CARRIED, with Directors Jones and Swanson voting "No", and Director Dunning absent.

EQUIPMENT AND OPERATIONS COMMITTEE

22. Rejected non-responsive bid submitted by Consulnet, Inc., and approved a contract with A. B. Dick Company, Culver City, the lowest responsible bidder under Bid No. CA-90-X181-S covering procurement of thirteen photocopier machines at a total bid price of \$44,996; form of contract subject to approval of the General Counsel.

This procurement is funded pursuant to UMTA Grant No. CA-90-X181.

UNANIMOUS, with 10 Directors present.

23. Approved rejection of non-responsive bids submitted by Garment Corporation of America and Standard Textiles and execution of a contract with Work Wear Corporation, Norwalk, the lowest responsible bidder under Bid No. 10-8701 covering procurement of coveralls, shop coats, shirts and pants for an estimated annual cost of \$168,150; form of contract subject to approval of the General Counsel.

UNANIMOUS, with 10 Directors present.

24. Approved negotiation and execution of a contract with Employers Reinsurance covering the Excess Workers' Compensation Insurance effective January 1, 1988, for a one-year period as outlined in the reports dated December 17, 1987, copies of which are filed with the District Secretary; form of contract subject to approval of General Counsel.

UNANIMOUS, with 10 Directors present.

FACILITIES & CONSTRUCTION COMMITTEE

25. Approved Requisition No. 7-8300-248 and extension of an existing contract for one additional year with Jacobs and Associates, San Francisco, covering construction contract claims analysis services, increasing the cost by an additional \$90,000 to a total cost of \$114,000; form of contract extension subject to approval of the General Counsel.

This procurement is funded in part under UTMA Grant CA-03-0213.

UNANIMOUS, with 10 Directors present.

26. Director Patsouras requested that the staff recommendation be amended to include approval of a contract with Jacobs & Associates, to review the proposed pile foundation system, in an amount not to exceed \$2,000.

On motion duly made, seconded and carried, with 10 Directors present, the following action was approved:

- a. Requisition 7-8300-255, negotiation and execution of a construction change order with Morley Construction Co., to review the foundation system for the El Monte parking structure due to the presence of contaminated soil in an approximate amount of \$400,000;
- b. Requisition 7-8300-256 in an estimated amount of \$150,000 to obtain bids and execution of a contract for removal of contaminated material from a local landfill; and
- c. contract with Jacobs and Associates, San Francisco, to review the proposed pile foundation system to see if it is the least costly way to go, in an amount not to exceed \$2,000;

form of documents subject to approval of General Counsel.

12/17/6

mir2/37

FACILITIES & CONSTRUCTION COMMITTEE - Cont'd.

27. Received and filed progress report on earthquake damage at District Headquarters Building.

UNANIMOUS, with 10 Directors present.

GOVERNMENT RELATIONS COMMITTEE

28. Advised that the Government Relations Committee received an oral Federal Legislative Update report at its meeting earlier in the day.

29. Approved common SCRTD/LACTC State and Federal Legislative goals for 1988, as set forth in the report dated December, 17, 1987.

UNANIMOUS, with 10 Directors present.

30. Approved the District's State and Federal Legislative Program for 1988, with emphasis on expanding the District's revenue resources.

UNANIMOUS, with 10 Directors present.

Appearance of G. Roberts concerning legislation for transit police.

RAPID TRANSIT COMMITTEE

31. Approved Requisition 7-8100-560 and execution of Change Order 001 with the Joint Venture of Shank-Ohbayashi for additional work resulting from changed site conditions under Metro Rail Contract A171, construction of tunnels, Wilshire/Alvarado to 7th/Flower, at a price of \$391,500, increasing the value of the contract from \$26,340,078 to \$26,731,578; form of contract amendment subject to approval of the General Counsel.

This project is funded pursuant to UMTA Grant No. CA-03-0130.

UNANIMOUS, with 10 Directors present.

32. Approved:

- a. award of a contract to the lowest responsive and responsible bidder for construction of Metro Rail Unit A165, 7th & Flower Station, Stage I; form of contract subject to approval of General Counsel;
- b. authorization of the General Manager to approve all contract amendments increasing the aggregate contract price up to five (5) percent; however, no individual amendment may exceed \$99,999; and
- c. acceptance of a Los Angeles County Transportation Commission work authorization for their share of costs for the contract;

This contract is funded in part under UMTA Grant CA-03-0130.

UNANIMOUS, with 10 Directors present.

33. Approved Requisition No. 7-8100-294 and execution of a contract with Jonathan Borofsky, artist, for creation and execution of a work of art at Civic Center Station, for a cost of \$100,000; form of agreement subject to approval of General Counsel.

CARRIED, with Director Estrada "Abstaining", Directors Jones and Storing voting "No", and Director Dunning absent.

RAPID TRANSIT COMMITTEE - Cont'd.

34. Approved:

- a. filing applications with the Urban Mass Transportation Administration pursuant to Section 3 and 9 of the Urban Mass Transportation Act of 1964, as amended, for the Fiscal Year 1988 Operating and Capital Assistance requesting federal funding in the approximate amounts of \$53.1 million Section 9 federal for Operating Assistance, \$41.1 million federal Section 9 for Bus Capital, and \$95.7 million federal Section 3 for Metro Rail MOS-1 and \$45.0 million federal Section 3 for Metro Rail MOS-2;
- b. acceptance of the grants and execution of contract documents; and
- c. setting a public hearing for January 14, 1988 at 1:00 p.m. to receive comments on the Section 3 Metro Rail MOS-1 and MOS-2 applications;

form of documents subject to approval of General Counsel.

UNANIMOUS, with 10 Directors present.

Director Holen, Chairman of the Rapid Transit Committee, invited all members of the Board to attend the public hearing on the CORE Draft EIS/EIR scheduled to be held Friday, December 18, 1987 at 10:00 a.m.

FINANCE & JOINT DEVELOPMENT COMMITTEE

35. Received and filed preliminary report by the General Manager on bus facility air rights and prospective opportunities at Divisions 8 and 15 in the San Fernando Valley.

UNANIMOUS, with 10 Directors present.

FINANCE & JOINT DEVELOPMENT COMMITTEE - Cont'd.

36. Rejected non-responsive bid by Petro Financial Services, Inc. and approved execution of a contract with Hugo's Check Cashing Service, under Bid No. 11-8724, covering purchase of paper currency for the period January 1, 1988 through December 31, 1988, with options for two additional six-month periods at the election of the District, for an estimated annual cost of \$1,060,000; form of contract subject to approval of the General Counsel.

UNANIMOUS, with 10 Directors present.

JOINT COMMITTEE MEETING

ADVANCE PLANNING and FINANCE & JOINT DEVELOPMENT COMMITTEES

37. Received and filed report on Fiscal Year 1988 Operating Deficit.

UNANIMOUS, with 10 Directors present.

GENERAL ITEMS

18. Recessed to Closed Session at 2:39 p.m. to discuss matters of litigation. Returned at 2:50 p.m. with all directors responding to roll call except Director Dunning.

38. Consideration of items arising subsequent to the posting of the agenda.

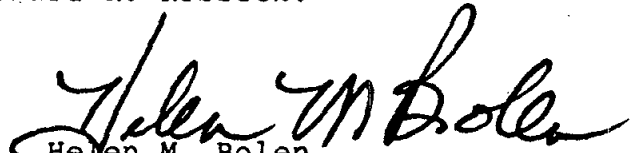
No items were considered.

39. Public Comment

Greg Roberts appeared regarding legislation for the District's Transit Police.

Peter Baxter appeared regarding District operation of buses and metro rail.

There being no further business, the meeting adjourned at 2:55 p.m. in memory of Richard K. Kissick.


Helen M. Bolen
District Secretary