

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

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

JUNE 23, 1988

Called to order at 1:00 p.m. by President Hall:

Directors Present:

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

Nick Patsaouras (arr 1:10 p.m.)
Jay B. Price
Charles H. Storing
Gordana Swanson
Kenneth R. Thomas

1. Certificates of Merit presented by Director Swanson to:
 - a. Gil Goytia, Information Operator-of-the-Month;
 - b. Chuck Christenson, Maintenance Employee-of-the-Month; and
 - c. Herman Koenekamp, Operator-of-the-Month.

2. Certificate of Appreciation was presented to Mr. William W. Barrow, who has ridden RTD buses to work for over 20 years.

3. Report of the President

President Hall presented a resolution to Robert Korach, Assistant General Manager - Operations, who is resigning from the District.

4. Report of the General Manager

General Manager Pegg referred to a letter from the City of Los Angeles concerning their buy-down of passes program. Action by the City Council to continue the buydown program for Los Angeles residents cannot be finalized prior to the July 1 effective date and the City has requested the District continue to sell the passes at the current rate in anticipation of the upcoming action.

Introduction of United Way officials. Mr. Ron Ferrena, representative of United Way presented the District and Mr. David Dominguez with a resolution of appreciation from United Way.

5. Director Special Items

Director Estrada recommended the Board bring in outside consultants to review the budget and the overall operation of the District to make specific recommendations for cost cutting. On motion duly made, seconded and unanimously carried, this matter will be placed on the July 14, 1988 Board agenda.

Director Dunning mentioned that very significant changes have been made in the Disadvantaged Business Enterprise Program. One significant change is the ability to sue for liquidated damages. He requested a report on the mechanics of this new issue, as well as a discussion on what elements of the newly revised Program were initiated by the District.

6. Recessed to Closed Session at 1:27 p.m. to consider personnel, labor negotiation and litigation matters. Returned at 2:33 p.m. with all Directors present except Director Estrada. The Board then considered agenda item 9.

9. Director Holen, on the advice of the District's General Counsel and special outside counsel, made a motion to defer action to cancel Lines 480, 481, 482, 495 and 498 in the San Gabriel Valley until such time as the legal issues are clarified by court action. This motion was seconded by Director Day and discussion followed.

Mr. J. Freitas, Jr., an attorney representing the Amalgamated Transit Union, appeared before the Board, speaking about the judge's intent in the court order. During the ensuing dialogue between members of the Board and Mr. Freitas, the District's General Counsel cautioned the participants about discussion of the merits of the pending litigation in open session.

Mr. M. Lewis, representing Supervisor Pete Schabarum, appeared and requested the Board to consent to the formation of the San Gabriel Valley Transit Zone. He requested the Board cancel service on the subject lines effective July 1, 1988.

Mr. G. Roberts also appeared, speaking on this matter.

The motion was approved, on a roll call vote noted below:

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

The Board then returned to Closed Session at 2:55 p.m. to consider personnel matters. The Board reconvened at 3:02 p.m. with all Directors responding to Roll Call except Director Estrada. No report was made of personnel issues discussed.

7. WITHDRAWN BY STAFF. It was reported there were no agreements regarding changes in benefit assessments to be considered.

8. APPROVED changes to the Benefit Assessments Appeals Procedures as outlined in the General Manager's report dated June 14, 1988.

UNANIMOUS, with 10 directors present

10. Considered General Manager's reports on the Proposed Fiscal Year 1989 Annual Budget, as amended, and the Organizational Reporting Relationships.

Following a brief presentation by the General Manager, Director Patsaouras presented a motion to approve the Proposed Fiscal Year 1989 Annual Budget and the Organizational Reporting Relationships as delineated in the budget, and as amended by the report dated June 22, 1988. This motion was seconded and discussion followed.

The discussion centered on the changes in the organizational structure and a suggestion to put the changes on hold pending the outcome of the study on management just requested by the Board. At the conclusion of the discussion, Director Swanson presented a motion to divide the question, which motion was seconded and carried.

President Hall announced that the vote on the budget would be taken first. A Roll Call vote was taken and the budget was adopted as noted below:

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

Director Price then made a substitute motion to carry over to the next meeting of the Board of Directors the matter of the Organizational Reporting Relationships, as amended. This motion was seconded. Several members of the Board commented on the substitute motion, indicating their support or non-support of the motion. A Roll Call vote was taken, and the motion failed as noted below:

Item No. 10 - Cont'd.

Ayes: Price, Swanson, Thomas
Noes: Day, Dunning, Hall, Jones, Storing
Abstain: Holen
Absent: Estrada, Patsaouras

Director Jones then proposed a motion to approve the Organizational Reporting Relationships, as amended. This motion was seconded and carried on a Roll Call vote as noted below:

Ayes: Day, Dunning, Hall, Holen, Jones, Price, Storing
Noes: Thomas
Abstain: Swanson
Absent: Estrada, Patsaouras

G. Roberts appeared before the Board speaking on the subject of the Fiscal Year 1989 Annual Budget.

11. Election of Officers:

- a. Report of Nominating Committee and election of officers.

Director Dunning, Chairman of the Nominating Committee reported that the Committee recommends that the name of Gordana Swanson be placed in nomination for the position of President and the name of Marvin L. Holen be placed in nomination for the position of Vice President.

President Hall asked if there were any nominations from the floor. There being none, the nominations were declared closed. With the consent of the nine members present, Gordana Swanson and Marvin L. Holen were declared unanimously elected to serve as President and Vice President for a one-year term effective July 1, 1988.

- b. Oath of Office was administered by Helen M. Bolen, District Secretary.

President Hall made a brief statement about her term of office, thanking the Board members for their support.

Item No. 11 - Cont'd.

President-elect Swanson thanked the members of the Board for electing her President. She also thanked President Hall for her very fine job as President for the past two years.

President-elect Swanson went on to say that she has observed staff, during the past year, dealing with very difficult issues with a great deal of presence and determination and she believes staff has demonstrated their abilities to deal calmly with complex issues. She concluded by stating that she looks forward to working with the staff and continuing this spirit, and she particularly hopes that the press and the public will begin to recognize that the District is managed by a very dedicated group of capable people.

Vice President-elect Holen commented that the past two years have been the most difficult in his ten years on the Board. He continued that the District provides a benefit to the people. The District has suffered from some internal problems; the District has suffered the slings and arrows of unfair attacks. President Hall has done a great job of representing the District, defending the District and initiating corrective action and she has done it all with great aplomb, great balance and great charm.

Vice President-elect Holen went on to say that he gets weary of nitpicking over minor changes in service, etc. Basically, the District can be run by the staff. The Board now has to substantially expand the resources available to the District and he pledged his efforts to this end. He concluded by saying the Board and the District must continue Metro Rail beyond construction and alignment selection.

- 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 9 Directors present

Item No. 11 - Cont'd.

- d. Rescinded Resolution adopted July 9, 1987 and approved designation of those authorized to act as General Manager Pro Tempore, as amended.

UNANIMOUS, with 9 Directors present

CONSENT CALENDAR

Items 16, 20, 21, 23 & 25 on the Consent Calendar were approved unanimously in one motion, with all directors present except Directors Estrada, Patsaouras and Storing. Director Thomas requested the balance of items on the consent calendar be considered on an individual basis.

16. APPROVED a contract with Cummins West, Inc., Los Angeles, the lowest responsible bidder under Bid No. CA-90-X059-W-A covering procurement of three VTB 903 Long Block Assemblies for a total bid price of \$81,868; form of contract subject to approval of the General Counsel.

This procurement is funded in part under UMTA Grant No. CA-90-X059.

20. APPROVED agreement with the County of Los Angeles for the Youth Employment/Bus Cleanliness Program to include County Supervisor Ed Edelman's Third Supervisorial District; form of documents subject to approval of General Counsel.

E. Duncan appeared speaking about cleanliness of buses.

21. Received and filed Report Calendar - June 3 through June 15, 1988.

CONSENT CALENDAR - Cont'd.

23. Received and filed Metro Rail Construction Change Order report for May, 1988.

25. APPROVED Minutes of Regular Meeting held May 26, 1988.

12. APPROVED Requisition No. 8-9500-96 and exercise of an option for one additional year with Employee Support Systems Company, Orange, to provide the Employee Assistance Program at an additional estimated cost not to exceed \$97,000, for a total estimated cost of \$284,900; form of option subject to approval of the General Counsel.

CARRIED, with Director Thomas voting "No" and Directors Estrada, Patsouras & Storing absent

13. APPROVED Requisition No. 8-3900-30 and amendment to contract with Teleride Sage Corporation, Arlington, Virginia, covering maintenance of proprietary software, increasing the total cost by an additional \$34,800 to a total cost not to exceed \$104,300; form of contract amendment subject to approval of the General Counsel.

CARRIED, with Director Thomas "Abstaining" and Directors Estrada, Patsouras & Swanson absent

CONSENT CALENDAR - Cont'd.

14. APPROVED Requisition No. 8-7200-51 and a contract with Multisystems, Inc., Cambridge, Massachusetts, covering maintenance services for a proprietary control software product utilized for the Metro Rail Project, at an estimated annual cost of \$36,000; form of contract subject to approval of the General Counsel.

This procurement is funded under UMTA Grant No. CA-03-0130.

CARRIED, with Director Thomas "Abstaining" and Directors Estrada, Patsaouras & Swanson absent

15. APPROVED Requisition No. 8-9500-87 and extension of a contract for one additional year with Dr. Susan Saxe-Clifford, Encino, covering evaluation of psychological tests for bus operator candidates and Transit Police Officer exams at an additional cost of \$60,500, for a total estimated cost of \$101,750; form of contract extension subject to approval of the General Counsel.

CARRIED on a Roll Call vote, with Directors Storing & Thomas voting "No" and Directors Estrada, Patsaouras & Jones absent

17. APPROVED a contract with Universal Dust Collector Corporation, Anaheim, the lowest responsible bidder under Bid No. CA-03-0049-AA covering procurement and installation of bus interior cleaning and deodorizing systems at Divisions 6 (Venice), 12 (Long Beach) and 13 (Riverside) for a total bid price of \$179,622; form of contract subject to approval of the General Counsel.

This procurement is funded in part under UMTA Grant No. CA-03-0049.

CARRIED, with Directors Day, Estrada & Patsaouras absent

CONSENT CALENDAR - Cont'd.

18. APPROVED a contract with Arthur Young and Company, Los Angeles, under RFP No. 87-46 covering provision of a Data Processing Strategic Security Plan and Security Policies and Procedures for a total cost of \$59,376; form of contract subject to approval of the General Counsel.

CARRIED, with Director Thomas voting "No" and Directors Day, Estrada & Patsaouras absent

19. APPROVED the revised Disadvantaged Business Enterprise (DBE) Program, and submittal of the program to UMTA for approval; form of documents subject to approval of General Counsel.

UNANIMOUS, with 8 directors present

22. Received and filed Treasurer's report on District Investments for May, 1988.

UNANIMOUS, with 8 directors present

24. Received and filed Board Request List for June, 1988.

UNANIMOUS, with 8 directors present

PERSONNEL COMMITTEE

26. APPROVED Requisition No. 8-2200-070 and amended a contract with the law firm of Goldstein and Kennedy, extending the term to December 31, 1988 and increasing the contract amount by \$35,000 to \$107,000, to provide legal services with regard to labor negotiations and to continue representation of the District in Thomason v. SCRTD; form of contract subject to approval of the General Counsel.

UNANIMOUS, with 8 directors present

G. Roberts spoke to the Board on this item.

27. RATIFIED Side Letter of Agreement No. A88-2 between the Southern California Rapid Transit District and the Amalgamated Transit Union providing a Summer Youth Employment/Bus Cleanliness Program as requested by Supervisor Edelman, Los Angeles County Third District; form of document subject to approval of the General Counsel.

UNANIMOUS, with 8 directors present

EQUIPMENT AND OPERATIONS COMMITTEE

28. APPROVED second-year option of a three-year contract with Insurance Company of Pennsylvania for Public Liability/Property Damage Insurance increasing the self insured retention to \$4.5 million, for an estimated premium of \$1,677,462; form of documents subject to approval of General Counsel.

UNANIMOUS, with 8 directors present

EQUIPMENT AND OPERATIONS COMMITTEE - Cont'd.

29. APPROVED Requisition No. 8-3399-195 and an option with The Flxible Company, Delaware, Ohio, covering procurement of five additional 40-foot advanced-design buses with front door wheelchair lifts at an estimated cost of \$913,000; form of option subject to approval of the General Counsel.

UNANIMOUS, with 8 directors present

30. REJECTED non-responsive bid submitted by Cummins West on Item No. 3 and approved contracts with the lowest responsible bidders under Bid No. 5-8825 covering procurement of fuel, oil and water filter elements for a one-year period, with an option for one additional year at the election of the District:
- a. Flxible Distribution, Compton, covering Items Nos. 4, 5, 6 and 8 for an estimated annual cost of \$309,000;
 - b. ABC Distributing, South El Monte, covering Item No. 3 for an estimated annual cost of \$77,000; and
- form of contracts subject to approval of the General Counsel.

UNANIMOUS, with 8 directors present

FACILITIES AND CONSTRUCTION

31. APPROVED Requisition 8-8300-142 and 8-8300-120, and Change Orders to the existing contract with Morley Construction Company, Los Angeles, covering:
- a. Delays in construction of the El Monte Parking Structure, increasing the total cost contract amount by an approximate \$80,000.
 - b. Additional excavation and backfill at the contract unit prices increasing the total contract amount by \$33,507.

form of documents subject to approval of the General Counsel.

This project is funded in part under UMTA Grant No. CA-05-0136.

UNANIMOUS, with 8 directors present

32. The Board received the General Manager's report dated June 16, 1988 concerning Division 7 noise mitigation proposals. On recommendation, the following elements were approved:
- * Contract with a qualified consultant to conduct a noise study prior to making any physical modifications to Division 7, and request the City of West Hollywood to participate in the cost of the study with Proposition A dollars;
 - * Staff to prepare for a community relations event with a minimum of cost and fanfare, returning to the Board for approval prior to scheduling the event.
 - * Invite the City of West Hollywood to make a proposal for joint use of the Division's parking facilities provided that the proposal does not interfere with the needs of District employees or visitors, and that the proposal include a monetary return to the District.

UNANIMOUS, with 8 Directors present

FACILITIES & CONSTRUCTION COMMITTEE - Cont'd.

33. APPROVED reoccupancy of vacated Headquarters Facility as noted below:

- a. procedure for arbitration between the District and the landlord regarding liability for cost of building repairs and for abatement of rent in connection with vacation and reoccupancy of portions of the headquarters facility as a result of the October 1, 1987 earthquake as provided in the General Manager's report dated June 16, 1988;
- b. occupancy by the District of quarters in the vacated portion of headquarters facility previously occupied by Schimpeler-Corradino Associates;

form of documents subject to approval of General Counsel.

UNANIMOUS, with 8 directors present

G. Roberts appeared on this subject speaking in opposition.

34. APPROVED Requisition 8-8300-140 and Change Order to the existing contract with Allee Construction Company for additional telephone conduits in the Headquarters Building increasing the total contract amount by an amount not to exceed \$50,000; form of Contract Change Order subject to approval of the General Counsel.

UNANIMOUS, with 8 directors present

LOCAL GOVERNMENT AFFAIRS COMMITTEE

35. Received and filed status report on key activities of Local Government and Community Affairs Department for the past two quarters.

UNANIMOUS, with 8 directors present

Staff was instructed to prepare a quarterly report.

RAPID TRANSIT COMMITTEE

36. WITHDRAWN BY STAFF: Procurement of Metro Rail Uninterruptible Power Supply Systems.

This procurement is funded in part under UMTA Grant No. CA-99-0130.

(Director Storing left the meeting)

37. APPROVED Requisition No. 8-8100-123 and a contract amendment with the Joint Venture of The Ralph M. Parsons Company/Dillingham Construction Company/DeLeuw Cather & Company, doing business in Los Angeles as PDCD, for the Fiscal Year 1989 Annual Work Program of Construction Management Services for Metro Rail Project MOS-1, at an increase in estimated cost and fixed fee not to exceed \$17,625,500; bringing the total contract price to \$56,497,729; form of contract amendment subject to approval of the General Counsel.

This project is funded in part under UMTA Grant No. CA-03-0130.

UNANIMOUS, with 7 directors present

RAPID TRANSIT COMMITTEE - Cont'd.

38. APPROVED:

- a. Requisition No. 8-4200-119 and amendment to contract with Schimpeler-Corradino Associates of Louisville, Kentucky, for the Fiscal Year 1989 Annual Work Program of General Planning Consultant services, at an increase in Estimated Cost and Fixed Fee of \$1,000,000;
- b. amendment to the existing FY'88 Work Program in the amount of \$199,350 to cover additional costs for preparation of the SEIS/SEIR; and
- c. adjusted the authorized expenditure limit to \$5,069,350;

form of documents subject to approval of the General Counsel.

This Contract Amendment is funded pursuant to UMTA Grant CA-03-0130 and a Letter of No Prejudice for MOS-2 efforts.

UNANIMOUS, with 7 directors present

39. APPROVED Requisition No. 8-8100-36 and amended an existing contract with Booz-Allen & Hamilton, Inc., Bethesda, Maryland, for the Fiscal Year 1989 Annual Work Program of Systems Engineering and Analysis consulting services for Metro Rail MOS-1, at an increase in estimated cost and fixed fee of \$1,755,000 bringing the total contract price to \$8,484,865; form of contract amendment subject to approval of the General Counsel.

This project is funded in part under UMTA Grant No. CA-03-0130.

UNANIMOUS, with 7 directors present

RAPID TRANSIT COMMITTEE - Cont'd.

40. APPROVED:

- a. a contract with Operations Consultants, Incorporated, Pasadena, under RFP No. 88-04 covering operation and maintenance of the District's Groundwater Treatment Plant (Metro Rail Contract A144) for a one-year period, with options for three additional one-year periods at the election of the District, at an annual cost not-to-exceed \$1,192,960.
- b. all contract amendments increasing the aggregate contract price by up to five percent; however, no individual amendment may exceed \$99,999;

form of documents subject to approval of the General Counsel.

This project is funded in part under UMTA Grant No. CA-03-0130.

UNANIMOUS, with 7 directors present

41. APPROVED Requisition No. 8-8100-567 covering construction related services by the County of Los Angeles on County facilities impacted by the Metro Rail Project during FY89 at a cost not to exceed \$65,000, increasing the contract to \$258,000; form of documents subject to approval of the General Counsel.

The work is funded, in part, under UMTA Grant No. CA-03-0130.

UNANIMOUS, with 7 directors present

RAPID TRANSIT COMMITTEE - Cont'd.

42. APPROVED:

- a. a change order with Tutor-Saliba/S. J. Groves, covering construction sequence modifications under contract A141 in an amount not to exceed \$5,000,000; subject to UMTA concurrence;
- b. all contract amendments which increase the aggregate contract price by up to 20%, an increase of 10% over previously authorized amount; however, no individual amendment may exceed \$99,999;

form of documents subject to approval of General Counsel.

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

UNANIMOUS, with 7 directors present

43. APPROVED Requisition 8-8100-570 and a change order to contract A145 with Guy F. Atkinson Construction Company covering construction of the 5th/Hill Street Station in an amount not to exceed \$915,875; form of documents subject to approval of General Counsel.

This project funded in part under UMTA Grant CA-03-0130

UNANIMOUS, with 7 directors present

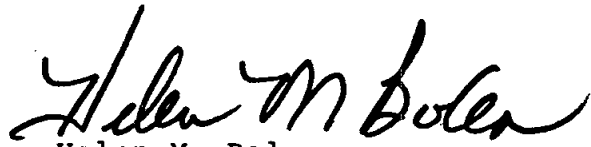
GENERAL ITEMS

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

45. Public Comment

G. Roberts appeared concerning the recent news article on the Transit Police Department.

There being no further business, the meeting adjourned at 4:47 p.m.



Helen M. Bolen
District Secretary