

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

OCT 16 1979

P.C.T.

Minutes of Regular Meeting of the  
Board of Directors of the District

September 20, 1979

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Upon notice duly given, the Board of Directors of the Southern California Rapid Transit District met at a regular meeting in the District Board Room, 425 South Main Street, Los Angeles, California, at 1:10 p. m. on September 20, 1979 at which time President Marvin L. Holen called the meeting to order.

Directors Present:

Donald Gibbs (Entered at 1:15 p. m.)  
Marvin L. Holen  
Gerald B. Leonard  
Mike Lewis  
Carl Meseck

Thomas G. Neusom  
Jay B. Price  
Ruth E. Richter  
Charles H. Storing  
George Takei

Director Absent:

David K. Hayward

Staff Present:

Jack R. Gilstrap, General Manager  
Samuel M. Black, Manager of Operations  
Richard T. Powers, General Counsel  
George L. McDonald, Manager of Planning and Marketing  
Joe B. Scatchard, Controller-Treasurer-Auditor  
David Dominguez, Manager of Equal Employment Opportunities  
Richard Gallagher, Manager & Chief Engineer - Rapid Transit  
Helen M. Bolen, District Secretary

Also present were members of the news media and the public.

Resolution  
No. Assigned

Report on Labor Matters

President Holen reported that negotiations between the District and Amalgamated Transit Union had commenced this morning at 10:00 a.m.

Report of the Rapid Transit Committee

On motion of Director Leonard, Chairman of the Rapid Transit Committee, seconded and carried as noted below, the Committee's recommendations on Agenda Items No. 2 and 3 were approved and the following resolutions were adopted:

Ayes: Gibbs, Holen, Leonard, Lewis, Meseck,  
Neusom, Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Hayward

R-79-410

Resolution adopting Alternative II for Rapid Transit Improvements in the Los Angeles Regional Core as the preferred alternative with modifications to station locations as set forth in the resolution.

(Text of complete resolution is filed with the Secretary)

R-79-411

RESOLVED, that the memorandum dated August 10, 1979, entitled "Pre-Preliminary engineering actions that will make it possible to accelerate P.E. Work," a copy of which is filed with the Secretary, is approved, and staff is authorized to proceed with those actions; form of RFP's and contractual documents subject to approval of the General Counsel.

Report of the Rapid Transit Committee (Continued)

Director Leonard reported that under Agenda Item No. 4, the Rapid Transit Committee had received a report on alternative management philosophies for the Rapid Transit Program, and it is anticipated that recommendations for the preferred management philosophy will be made at the second Board meeting in October.

Following Board action on the Rapid Transit Committee items, President Holen and Director Leonard invited questions from the members of the press.

Award of Contract to Transit Ads, Inc.

President Holen indicated that Agenda Item No. 7 would be considered next.

Mr. Joe Palladino, TDI/Winston Network, appeared before the Board and requested the opportunity to bid for the advertising contract on Los Angeles buses. He also indicated that telegrams had been sent to members of the Board by Mr. Marc Winston.

Director Richter made a motion to adopt staff recommendation to award a contract to Transit Ads, Inc., for a three-year period, which motion was seconded.

Director Gibbs felt that the contract did not reflect the intent of the Board's direction, in that the new

Resolution  
No. Assigned

Award of Contract to Transit Ads, Inc. (Continued)

buses be required to carry outside signs and that they could have a 23" band around the bus that could carry advertising.

(Director Leonard left the meeting at 1:36 p. m. )

Mike Strauss of Transit Ads, Inc. appeared and stated that the advertising stripe around the bus would be a new and untested product and they would have to determine the value of this type of advertisement in the marketplace.

Director Gibbs suggested that the test be made on the 200 new buses arriving in 1980 and, if the test is successful, the advertising band or whatever advertising solution Bass recommends be installed and utilized on future purchases of new buses. He further stated that if this posed a financial hardship upon Transit Ads - - after a suitable test period - - that the contract be adjusted. Director Gibbs suggested that the motion be amended to provide that 200 new buses will have a non-standard advertising format, with one acceptable non-standard format being the 23" band around the bus, subject to a successful test of this advertising format,

Resolution  
No. Assigned

Award of Contract to Transit Ads, Inc. (Continued)

which amendment was concurred in by Director Richter.

On a call for the question, the following resolution was adopted as noted below:

Ayes: Gibbs, Holen, Lewis, Meseck,  
Richter, Storing, Takei  
Noes: Price  
Abstain: Neusom  
Absent: Hayward, Leonard

R-79-412

RESOLVED, that the General Manager is authorized to enter into a three-year contract with Transit Ads, Inc., for the sale of interior and exterior advertising space on buses, with 200 new buses to have a non-standard advertising format; form of contract subject to approval of the General Counsel.

(Director Neusom left the meeting at 1:50 p.m.)

Report of the Facilities & Construction Committee

On motion of Director Price, Vice-Chairman of the Facilities & Construction Committee, seconded and carried as noted below, Agenda Items No. 5 and 6 were approved and the following resolutions were adopted:

Ayes: Gibbs, Holen, Lewis, Meseck,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Hayward, Leonard, Neusom

Resolution  
No. Assigned

Report of the Facilities & Construction Committee  
(Continued)

R-79-413

RESOLVED, that the General Manager is authorized to execute a lease agreement with Mika Management, Inc., covering the District's Headquarters Building at 425 South Main Street (approximately 181,000 square feet), at a rental rate of \$5.65 per square foot, for a term of nine years, cancellable at the end of years 6, 7 and 8 by the District, and escalating in the seventh year to \$5.95 per square foot, with District to assume responsibilities for maintenance and utilities in those areas of the building used by the District; form of agreement subject to approval of the General Counsel.

R-79-414

RESOLVED, that the Facilities & Construction Committee will interview three finalist firms for structural engineering services for building rehabilitation projects at Division 2 and 14 on October 11, 1979.

Report of the Surface Operations Committee

Agenda Item No. 8 had been removed from the agenda by staff.

On motion of Director Price, Chairman of the Surface Operations Committee, seconded and carried as noted below, Agenda Item No. 9 was approved and the following resolution was adopted:

Ayes: Gibbs, Holen, Lewis, Meseck,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Hayward, Leonard, Neusom

Resolution  
No. Assigned

Report of the Surface Operations Committee (Continued)

R-79-415

RESOLVED, that the General Manager is authorized to award a contract to McDonnell Automation, Suite 1052, 1801 Avenue of the Stars, Los Angeles, under RFP No. 97907, covering computer support for maintenance control system/ vehicle maintenance system, at an estimated cost of \$192,000, which project is funded in part under UMTA Capital Grant Project No. CA-03-0132; form of contract subject to approval of the General Counsel.

Report of the Finance Committee

On motion of Director Lewis, Chairman of the Finance Committee, seconded and carried as noted below, Agenda Item No. 11, the Operating Report for the month of August, 1979 was "Received and Filed," and Agenda Item No. 12 was approved and the following resolution was adopted:

Ayes: Gibbs, Holen, Lewis, Meseck,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Hayward, Leonard, Neusom

R-79-416

RESOLVED, that effective October 1, 1979, the Department of Motor Vehicles' Senior Citizens Identification Card will be honored for senior citizen reduced fare.

Approval of Consent Calendar

On motion of Director Richter, seconded and carried as noted below, Agenda Items No. 13 through

Resolution  
No. Assigned

Approval of Consent Calendar (Continued)

20 on the Consent Calendar were approved and the following resolutions were adopted and/or actions taken:

Ayes: Gibbs, Holen, Lewis, Meseck,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Hayward, Leonard, Neusom

R-79-417

RESOLVED, that Requisition No. 9-4410-80 is approved, and the General Manager is authorized to exercise an option with Parker & Son, Inc., 6500 Flotilla Street, City of Commerce, covering emergency printing services for a one-year period at a price not to exceed \$50,000; form of option subject to approval of the General Counsel.

R-79-418

RESOLVED, that Requisition No. 9-4410-81 is approved, and the General Manager is authorized to exercise an option with Continental Graphics, 101 S. La Brea, Los Angeles, for typesetting services for a one year period, at a cost not to exceed \$15,000; form of option subject to approval of the General Counsel.

R-79-419

RESOLVED, that Requisition No. 9-3399-1013 is approved, and the Purchasing Agent is authorized to call for bids covering the District's requirements for air gauge assemblies and engine temperature switches for a one-year period; form of bid requirements and specifications subject to approval of the General Counsel.

R-79-420

RESOLVED, that Requisition No. 9-3399-1012 is approved, and the Purchasing Agent is authorized to call for bids covering the District's requirements for 12-volt power packs for a one-year period; form of bid requirements and specifications subject to approval of the General Counsel.



Resolution  
No. Assigned

Approval of Consent Calendar (Continued)

R-79-421

RESOLVED, that Requisition No. 9-3399-1014 is approved and the Purchasing Agent is authorized to call for bids covering the District's requirements for miscellaneous Timken-Bower bearings for a one-year period; form of bid requirements and specifications subject to approval of the General Counsel.

R-79-422

RESOLVED, that Requisition No. 9-3399-1015 is approved and the Purchasing Agent is authorized to call for bids covering the District's requirements of miscellaneous bearings for a one-year period; form of bid requirements and specifications subject to approval of the General Counsel.

R-79-423

RESOLVED, that the General Manager is authorized to award a contract to Grumman Flxible Distribution Center, 3215 North Alameda, Compton, the lowest responsible bidder under Bid No. 8-7929 covering the District's requirements for bevel gear and pinion assemblies for a one-year period at an estimated cost of \$14,276; form of contract subject to approval of the General Counsel.

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Ratified bus stop zone changes as described in report dated September 14, 1979, filed with the Secretary.

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Approved minutes of Special Meeting held September 10, 1979.

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Received and Filed Purchasing Agent's Statement of Purchases over \$1,000 for the month of August, 1979.

### Director Special Items

Director Takei stated that he feels that the District should be able to do something during a severe smog situation. He requested staff to study the feasibility of free rides and what type of emergency funds could be used. Director Lewis commented that a report on this subject had been received by the Board in October of 1978 on the feasibility of a 25¢ fare during second-stage smog alerts. He suggested that perhaps the revenue losses could be covered by some federal fundings. Director Richter suggested that the Air Quality Management Board be approached concerning funding.

President Holen commented on the APTA Annual Meeting to be held in New York, September 23 - 27 and urged Directors to attend. He indicated that he will remain in Los Angeles to respond to pressing District business, and Director Neusom will represent the office of President of the Board of Directors at the APTA Annual Meeting.

### Report of the General Manager

General Manager Gilstrap spoke about the hearings scheduled by the Assembly Transportation Committee, specifically, the hearing scheduled for October 4, 1979 on Transit Labor Law.

Mr. Gilstrap indicated that the District should appear at the hearing and be prepared to offer some reflections and possibly some specific recommendations. He pointed out that the District has recommended sunshine negotiations, and we should address the fact finding process and attempt to cure flaws in that process. There is also the

Report of the General Manager (Continued)

binding arbitration concept, with one variation being the 'last best offer' from management and the union to be submitted to binding arbitration, with the arbitrator having to accept one or the other offer, in toto.

Mr. Gilstrap commented that he believes binding arbitration is the best answer for a public agency where the employees have the right to strike. When workers have been given the right to shut the system down, management has already given a major concession to labor. He further reported that the District has not had a strike in the last decade that has not involved outside parties in helping to resolve the impasse anyway.

Director Lewis stated that in his opinion, binding arbitration would negate the role of the Board of Directors in the labor process. He suggested that the process be examined and some changes be considered which are more sensible in nature, including fact finding as an initial step, requiring that management and the unions prepare demands and these demands be made public at the onset of the labor negotiations, a 30 - 40 day period for negotiations with a requirement that before a strike can be called, the membership must vote on management's last best offer. Director Lewis also suggested that this matter of transit employees having the right to strike be put before the voters.

There was further discussion, with Director Meseck indicating that he would prefer the public employee concept for transit employees. President Holen commented that he would like to see the issue of public employees be referred to public vote.

Report of the General Manager (Continued)

(Director Takei left the meeting at 2:25 p. m. )

General Manager Gilstrap summarized the comments of the Board members as follows:

1. State-wide no right to strike provision.
2. Public release of management and union demands.
3. Fact Finding process revised.
4. Longer period of negotiations.
5. Final offer from management would be voted upon by union membership before strike could be called.

Appearance of Greg Roberts

Mr. Greg Roberts appeared before the Board to request that he be added to the mailing list to receive agendas and to thank the Board for the temporary end to the bus strike. He also mentioned possible fare increases and the proposed 1980 Sector Improvement Program.

On motion duly made, seconded and carried, the Board adjourned to Executive Session at 2:40 p. m. to consider a Workers' Compensation related matter.

The Board returned from Executive Session at 2:50 p. m. with Directors Gibbs, Holen, Lewis, Meseck, Price, Storing and Takei present. No report was made of matters discussed in Executive Session.

There being no further business, the meeting adjourned at 2:50 p. m.

  
District Secretary