

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

Minutes of Special Meeting of the
Board of Directors of the District

March 9, 1976

Upon notice duly given, the Board of Directors of the Southern California Rapid Transit District met at a Special Meeting in the District Board Room, 1060 South Broadway, Los Angeles, California, at 11:10 a.m., at which time Vice-President Thomas G. Neusom called the meeting to order.

Directors present:

George W. Brewster
Donald Gibbs
Adelina Gregory
Marvin L. Holen

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

Directors absent:

Byron E. Cook
Pete Schabarum
Baxter Ward

RTD Staff present:

Jack R. Gilstrap, General Manager
George W. Heinle, Manager of Operations
Richard T. Powers, General Counsel
Joe B. Scatchard, Controller-Treasurer-Auditor
George L. McDonald, Manager of Planning & Marketing
John S. Wilkens, Manager of Employee Relations
Richard Gallagher, Manager of Rapid Transit
Robert Williams, Manager of Customer Relations
R. K. Kissick, Secretary

Also present were State Assemblyman Walter M. Ingalls, members of the public and the news media.

Resolution
No. assigned

Board of Directors Recessed in Executive Session
at 11:12 a.m.

On motion duly made, seconded and unanimously carried, the Board of Directors recessed in Executive Session at 11:12 a.m. to consider labor matters.

The Board reconvened at 11:55 a.m. with the same Directors present as responded to the original Roll Call.

Approval of Memorandum of Agreement in Connection
with Labor Protective Agreements for Section 5
Applications in Accordance with the 13(c) Pro-
visions of the Urban Mass Transportation Act of
1964, as Amended

Vice-President Neusom announced that he had presented to the Board a Memorandum of Agreement which had been negotiated with the help of the Department of Labor and with representatives of the labor unions involved, which Memorandum of Agreement agrees to adopt the Model Agreement subject to certain conditions in connection with agreements required in order for the District to apply for Section 5 funds under the Urban Mass Transportation Act of 1964, as amended.

Director Holen moved that the appropriate officers of the District be authorized to execute the Memorandum of Agreement with the provisions included in the agreement, which motion was seconded.

Resolution
) No. assigned

Approval of Memorandum of Agreement in Connection
with Labor Protective Agreements for Section 5
Applications in Accordance with the 13(c) Pro-
visions of the Urban Mass Transportation Act of
1964, as Amended (continued)

The question was called for and the following
resolution adopted by a Roll Call vote as noted
below:

R-76-106

RESOLVED, that the appropriate offi-
cers of the District are authorized to
execute the Memorandum of Agreement, a copy
of which is attached to these Minutes as
EXHIBIT 1, which agreement agrees to adopt
the so-called Model Agreement subject to
certain conditions, and which agreement is
necessary in connection with labor protec-
tive agreements for Section 5 applications
in accordance with the 13(c) provisions
of the Urban Mass Transportation Act of
1964, as amended; form of agreement subject
to approval by the General Counsel.

Ayes: Gregory, Holen, Neusom, Price,
Richter, Takei

Noes: Brewster, Gibbs

Abstain: None

Absent: Cook, Schabarum, Ward

At the request of Director Holen, General
Manager Gilstrap read into the record a draft
resolution regarding the matter which had been
reviewed by the Board in Executive Session.

Director Holen then moved adoption of the
resolution, which motion was seconded.

Resolution
No. assigned

Approval of Memorandum of Agreement in Connection
with Labor Protective Agreements for Section 5
Applications in Accordance with the 13(c) Pro-
visions of the Urban Mass Transportation Act of
1964, as Amended (continued)

Director Brewster stated that he had a procedural question - - that he had voted "no" on the motion to approve the Memorandum of Agreement but the Board had voted to sign the agreement and the resolution simply supported that action. He questioned the removal of the paragraph in the draft resolution which directed the officers of the District to execute the agreement and whether that paragraph was necessary. Vice-President Neusom supported the fact that the paragraph had to be a part of the resolution and General Counsel Powers agreed. Mr. Brewster felt the federal government had forced the District into signing the agreement and would vote "no" on the resolution due to inclusion of the above paragraph to which he had objected, but did not object to the balance of the resolution, and wanted it as part of the record, which statement was concurred in by Director Gibbs.

The question was called for and on a Roll Call vote as noted below the following resolution was adopted:

RESOLUTION NO. R-76-107

WHEREAS Public transit is a vital public service.

WHEREAS the SCRTD in order to maintain public transit urgently requires the federal operating funds allocated to the SCRTD pursuant to the Urban Mass Transportation Act of 1964.

WHEREAS the federal funds allocated to the SCRTD are being withheld until the SCRTD signs the "Section 13(c)" labor agreement designated by the Secretary of Labor.

WHEREAS the withholding of the allocated federal funds will cause reduction of SCRTD service by nearly 50% resulting in a major lay-off of the SCRTD work force and substantial harm to the public health and welfare, with particular damage to school children, the handicapped, the elderly and the poor.

WHEREAS the SCRTD has repeatedly requested that the Secretary of Labor approve modification of the designated Section 13(c) labor agreement in accordance with fair treatment of employees, more prudent management practices and the safeguarding of public funds.

WHEREAS the Secretary of Labor has refused to approve such modification because of the resistance of the various transit unions.

NOW THEREFORE BE IT RESOLVED that the officers of this District be, and they hereby are authorized and directed to sign the Section 13(c) labor agreement presented at this meeting.

RESOLVED FURTHER that the authorization and direction to execute the Section 13(c) labor agreement is made under Economic Duress and such authorization and direction would not be given in the absence of Economic Duress.

RESOLVED FURTHER that the SCRTD interprets the meaning and intends the meaning of the Section (5) (a) "notice provision" of this Section 13(c) labor agreement in accordance with the language contained in the letter dated January 29, 1976 addressed to the SCRTD from the Secretary of Labor which states ". . . paragraph 5 (a) does not require ratification for 'virtually every act of the District'. Indeed, it is difficult to construe

any events arising 'as a result of' an operating assistance project which would require notice and negotiation of what are commonly called implementing agreements. The mere acceptance of Federal operating assistance funds certainly does not make every action of the District 'a result of the Project'."

RESOLVED further that a copy of this resolution be affixed to the copy of the Section 13(c) agreement being signed and forwarded to the Secretary of Labor.

Ayes: Thomas G. Neusom, Adelina Gregory,
Marvin L. Holen, Jay B. Price, Ruth E.
Richter, George Takei

Noes: George W. Brewster, Donald Gibbs

Absent: Byron E. Cook, Pete Schabarum,
Baxter Ward

Abstain: None

On motion of Director Brewster, seconded and unanimously carried, the staff was directed to distribute copies of the above resolution to the news media so that they would have a full understanding of the action taken by the Board at today's meeting.

Vice-President Neusom stated that the staff had been instructed to expedite the application to secure the funds in order to reimburse the County of Los Angeles.

Adjournment with Meeting to be Reconvened at Hall of Administration

Due to the lateness of the hour, on motion duly made, seconded and unanimously carried, the meeting was adjourned at 12:17 p.m. to be reconvened in Room 739, Hall of Administration, 500 West Temple Street, Los Angeles, immediately following a Special Meeting with the

Adjournment with Meeting to be Reconvened at Hall of Administration (continued)

Los Angeles County Board of Supervisors which had been scheduled at 12:00 noon.

Adjourned Special Meeting Reconvened at 2:25 p.m.

The Adjourned Special Meeting was reconvened at 2:25 p.m. in Room 739, Hall of Administration, 500 West Temple Street, Los Angeles, with the same Directors and staff present that were in attendance when the meeting was convened at 11:10 a.m.

Also present were State Assemblyman Walter M. Ingalls, members of the public and the news media.

Vice-President Neusom stated the matter to be discussed was Item 2 on the agenda, the consideration of recommendations with respect to pending legislation, and particularly Assembly Bill 1246, which bill was authored by Assemblyman Ingalls and who was present today to discuss the bill with the Board.

Copies of the report dated March 9, 1976 entitled "Assembly Bill 1246 - Background Material" were distributed for review and consideration.

Mr. Neusom stated one of the problems was the difficulty of the metropolitan planning organization which has created substantial concerns.

Mr. Gilstrap stated that the discussion paper attached to the material before the Board and Assemblyman Ingalls

Adjourned Special Meeting Reconvened at 2:25 p.m.
(continued)

was a compilation of various positions of the Directors on various items in AB 1246. The report outlined the suggested powers of the proposed commission, relationships with SCAG and the powers suggested for the operators, and the fact that it was felt many of the planning portions should be delegated to the new commission and provide a source of funds for the regional planning agency.

Mr. Neusom stated the District has worked with the bill throughout the various amendments and the effects of many of the amendments, that we had problems with certain portions of the bill and especially any legislation which increases the responsibilities of SCAG other than assistance in planning.

Director Price felt the day-to-day operations of the District should remain with the RTD Board and should be retained, and Mr. Neusom felt the major accomplishment in a limited amount of time available today is to express to Mr. Ingalls in person the desires of the Board and to let him know the problems of the RTD Board, and to relate to him how some of the present problems could be eliminated.

Mr. Price stated the League of California Cities was against the bill due to the imbalance in voting, with 75 smaller cities having only two members instead of the present four. Mr. Brewster stated that some municipalities felt the municipal operators should also be represented

on the proposed commission and the zones of subregional carriers should be permissive rather than mandatory.

Mr. Gilstrap reported that in a meeting with the municipal operators yesterday it was the general consensus that a limit of 85% and a minimum of 80% to RTD would be agreeable to all concerned and could be a reasonable handling of the issue, and that they were unanimous on the fact that the matter of the zones should be studied to determine if they were desirable before and not mandated in the bill.

Mr. King Cushman of Long Beach stated that Long Beach had originally opposed the bill, that Long Beach is facing severe problems and can't continue to operate with the funding available in the future, and that AB-1246 has now been endorsed by the Long Beach City Council with the provisions that 85% go to RTD and 15% to the municipals, and that they would look to the proposed commission for multi-purpose funding.

Mr. Gilstrap stated that the RTD and the municipal operators did not agree on the fact that the new commission could not rule against the municipal carriers in a service dispute with RTD without the municipal's approval.

Assemblyman Ingalls felt AB-1246 was necessary as a result of attending meetings today and the business discussed at those meetings. He differed on the matter of the formulation of the commission as outlined in the

March 9 report; that he was trying to solve the present problems and attempting to establish a commission that will provide decisions which cannot be made under present circumstances, and stated he appreciated the fact that everyone had problems. He further stated that in looking at the recommendations presented today it appeared a strong commission was being recommended.

Mr. Ingalls then commented on some of the recommendations which are summarized, as follows:

With respect to the recommendation that the commission should be empowered to allocate funds, he agreed with the proposal but said it was difficult to write a bill which would not receive political opposition, especially from municipalities, and there are various conflicts with various entities.

Regarding highway planning, construction, etc., he assumed this was an anti-SCAG thrust but felt the commission would have the authority to make the necessary decisions - - that the program would be done by the commission but that programs must be in conformity with SCAG planning. He also felt that suitable language had been included in the bill for the June election.

With respect to the Transportation Improvement Plan (TIP) with an Annual Element based upon proposals submitted by carriers, he believed necessary elements were already included in the bill.

Regarding the preparation of the Annual Work Program to control the use of Section 9 funds, he stated we were bound by federal laws on this and therefore must be included.

With respect to petition by an affected carrier in cases involving overlapping service, he felt they have service protection now, did not feel it was a bad provision and their services should not be impaired by the city councils involved.

He stated that the recommendation for the commission to have authority to enter into contracts with Orange County was not definitely spelled out in the bill and that he would accept the suggestion.

With respect to the SCAG responsibilities, he stated they were in the bill and the federal law requires these provisions.

Regarding District responsibilities, he stated they were already in the bill but could be spelled out - - that RTD should be the regional operator of buses, fixed rail, etc.

With respect to the recommendation that the District retain the short-range planning responsibility and the right to submit grant applications directly to UMTA, he stated his investigation indicated problems due to applications being submitted without the knowledge of SCAG, and we have to have some sort of review by the commission. (Mr. Gilstrap felt this was simply a matter of the RTD or others to be able to carry out the programs with UMTA once the applications had been approved.)

Regarding operation of the guideway system once it is built, he stated it is in the bill and will provide that RTD is the regional operator.

With respect to one percent of SB-325 funds going to the commission to support its activities, he stated this could be reduced by one-half percent and that he was sympathetic to the problem.

Regarding the recommendation against the creation of additional public carriers within Los Angeles and Orange Counties, he said he would consider it but that he had been receiving pressure from communities not presently being served to divert SB-325 funds to them.

With respect to the recommendation against the expansion of service areas by municipal carriers, he stated this provision should remain in the bill.

With respect to a change of name of the RTD, he stated he was sympathetic to leaving name as is.

And lastly, with respect to composition of the commission board, he stated it was not necessary to have overlapping membership. Director Price inquired if he could consider expanding the commission due to 75 cities being represented by only two members, and Mr. Ingalls replied that he has attempted to recognize these matters but feels the commission composition is all right.

Mr. Neusom thanked Mr. Ingalls for coming to Los Angeles and attending the meeting and stated he hoped similar meetings could be held in the future.

There being no further business, the meeting was
adjourned at 3:05 p.m.

R. K. Kossick

Secretary

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MEMORANDUM OF AGREEMENT

The District and the Unions agree to adopt the Model Agreement subject to the following conditions:

1. Adoption of the Model Agreement is without prejudice to the respective positions of the parties as previously submitted to the Secretary of Labor with respect to the relocation expense eligibility formula described in paragraph 12(e)(B) of the Model Agreement.
2. The parties' positions on paragraph 12(e)(B) shall be resolved in accordance with the following procedures:
 - (a) For a period not to exceed 60 days following the signing of this agreement the parties shall engage in such fact-finding activities as they deem appropriate.
 - (b) At the conclusion of the fact-finding activity, any party may request a meeting to exchange such factual information as may have been developed and to negotiate supplemental arrangements or modifications of paragraph 12(e)(B) as applied to Los Angeles as may be appropriate in light of the Gill Memorandum.

(c) If no agreement as to paragraph 12(e)(B) of the Model Agreement is reached between the parties within 90 days of the signing of the Agreement, any party may submit the issue for final and binding determination to any third party to which they may agree; if unable to agree, on a "third party", the parties hereto may petition the Secretary who will within a reasonable time designate the above referred to "third party". That "third party" will conduct a hearing and within 45 days make a recommended decision on the issues presented. Any party may request the Secretary to review the recommended decision of the "third party". The Secretary shall be bound by the findings of fact of the "third party", if supported by the evidence, but may accept or reject the "third party's" conclusions with respect to the issues submitted and, if so rejected, make his own decision with respect to the issues submitted.

(d) During the periods described above, any questions relating to the relocation issues described above, shall be decided by the parties hereto on a case-by-case basis, and if unable to agree, shall be submitted to the Secretary.

FOR THE SOUTHERN CALIFORNIA
RAPID TRANSIT DISTRICT

BY _____

DATE _____

APPROVED AS TO FORM:

BY _____

DATE _____

FOR THE UNITED TRANSPORTATION
UNION

BY _____

DATE _____

FOR THE AMALGAMATED TRANSIT
UNION

BY _____

DATE _____

FOR THE BROTHERHOOD OF
RAILWAY AND AIRLINE CLERKS

BY _____

DATE _____