



MINUTES/PROCEEDINGS

**LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY**

**REGULAR BOARD MEETING
BOARD OF DIRECTORS**

**MTA Headquarters
3rd Floor - Board Room
One Gateway Plaza
Los Angeles**

July 23, 1998

Called to order at 9:53 A.M.

Directors Present:

Richard Riordan, Chair
Yvonne Brathwaite Burke, First Vice Chair
James Cragin, Second Vice Chair
Richard Alatorre
Michael Antonovich
Hal Bernson
John Fasana
Don Knabe
Jose Legaspi
Gloria Molina
Zev Yaroslavsky
Larry Zarian

Chief Executive Officer - Julian Burke
Board Secretary - Georgia Hamilton
Inspector General - Arthur Sinai
General Counsel - County Counsel

NOTE: Members voting are reflected in the attached "RECAP OF PROCEEDINGS" matrix.

1. APPROVED **Consent Calendar** Items **11, 12, 16, 17, 18, 25, 33, 34, 36, 38, 39.**

NOTED Items **Approved Under Committee Authority: Items 6 through 10**

2. APPROVED **Minutes** of Special Board Meetings held June 8 and June 24 and Regular Board Meetings held May 21 and June 25, 1998.

3. Chief Executive Officer's Report

- A. RFP process and evaluation for consulting team to conduct regional alternative analysis

4. Chair's Report

No report was made

6. APPROVED UNDER OPERATIONS COMMITTEE AUTHORITY award of contract to Iron Mountain, Commerce, covering **storage and retrieval of records stored off-site** for a three-year period with two one-year options for an estimated annual cost of \$110,000, with an additional one-time cost of \$40,250 for permanent removal fees, for a total contract not to exceed \$590,250 commencing August 1, 1998.

7. APPROVED UNDER OPERATIONS COMMITTEE AUTHORITY award of contract to Continental Graphics covering **outside reprographic services** for a one-year period, with two one-year renewal options, at a cost of \$80,000 per year, total not to exceed \$240,000.

Conflict of Interest: Riordan

8. APPROVED UNDER OPERATIONS COMMITTEE AUTHORITY award of contract to Exacta Attorney and Messenger Service, the lowest responsive, responsible bidder under Bid No. OP64411928 covering **courier services** for a 27-month period for a total amount not to exceed \$173,880.
9. APPROVED UNDER OPERATIONS COMMITTEE AUTHORITY award of contract to Valley Detroit Diesel Allison, Mira Loma, covering procurement of 40 (20 base and 20 option) **Allison V-731 Transmissions** for the Flexible, Neoplan and TMC bus fleet at a cost not to exceed \$1,047,476.
10. APPROVED UNDER OPERATIONS COMMITTEE AUTHORITY contract amendment to Contract OP33400700 with Fujitec America, Inc., covering **replacement of worn escalator step chains** on four Red Line Segment 1 escalators for an amount not to exceed \$180,090.
11. APPROVED ON CONSENT CALENDAR negotiating a Memorandum of Understanding with APT Senior Ride Non-Profit, Inc., covering **five year service continuation for Line 608** in an amount not to exceed \$300,000 per year for each of the five years, based upon the annual approval of funding.

Conflict of Interest: Burke

12. APPROVED ON CONSENT CALENDAR rejection of all bids submitted in response to IFB No. OP33901931 for procurement of **methanol fuel** and **AUTHORIZATION** to readvertise the solicitation.
14. WITHDRAWN BY STAFF credit Change Order No. 15 with SESCO, Inc. covering **deletion of Mid-City Corridor** from Contract B642, in a credit amount of \$203,809, decreasing the total contract for Mid-City Corridor to \$0 and decreasing the Mid-City Authorization for Expenditure to \$0.
15. WITHDRAWN BY STAFF Change Order 5 with Wiltel Communications, Inc., covering **deletion of the Mid-City Corridor** from the B644S contract, in a credit amount of \$697,647, decreasing the contract value for Mid-City Corridor to \$0 and the Mid-City Authorization for Expenditure to \$0.

16. APPROVED ON CONSENT CALENDAR **contract modifications** to Contract C0311 with Traylor Bros./Frontier - Kemper, JV, for Metro Red Line, North Hollywood Extension, Segment 3:

- A. Change Notice 113.01 in an amount not to exceed \$300,000 for a revised total contract of \$161,041,185;
- B. an increase to the Authorization for Expenditure in the amount of \$300,000 for a revised AFE of \$167,971,140; and
- C. authorization to execute a subsequent negotiated Change Order No. 98, if it is within the amount approved for Change Notice 113.01.

Conflict of Interest: Riordan

17. APPROVED ON CONSENT CALENDAR:

- A. Change Order 65 to Contract C0321 with Tutor Saliba-Perini, JV, covering payment for **slab on grade concrete** actually installed for the Metro Red Line, North Hollywood, Segment 3, in the amount of \$301,024 for a revised total of \$59,526,822; and
- B. an increase to the Authorization for Expenditure in the amount of \$301,024 for a total revised AFE of \$62,739,504.

Conflict of Interest: Riordan

18. APPROVED ON CONSENT CALENDAR an increase in the Authorization for Expenditure for Contract B740 with Joy Environmental Technologies, Inc., in the amount of \$177,425 increasing the Segment 2 AFE to \$12,216,320, covering funding for **pending and merited change notices** within Board delegated authority.

19. APPROVED:

- A. an increase in the Authorization for Expenditure (AFE) for the third year of funding to Contract No. PM021 with Fluor Daniel, Inc. for currently identified and immediate **Project Management Assistance (PMA)** Services for the Metro Rail Projects, in the amount of \$2,285,000; and
- B. an increase in the AFE for the third year of funding for other potential PMA Services not yet fully defined for the Metro Rail Projects in the amount of \$200,000, with a \$50,000 cap per project.

Conflict of Interest: Alatorre, Antonovich, Molina, Riordan

21. Closed Session - Conference with Legal Counsel - Existing Litigation - G.C. 54956.9(a):

MTA vs. Argonaut, et al - LASC Case No. 171636

NO REPORT WAS MADE

25. APPROVED ON CONSENT CALENDAR Support position on **SB 1758 (Kelley)** authorizing the California Transportation Commission to loan unallocated funds in the State Highway Account to transportation planning agencies, county transportation commissions and local transportation authorities for projects eligible under the state transportation improvement program that are a part of the regional transportation plan.

29. Closed Session - Conference with Legal Counsel - Existing Litigation - G.C. 54956.9 (a)

LACMTA v. Sumitomo - LASC Case No. BC136375

NO REPORT WAS MADE

30. WITHDRAWN BY STAFF:

- A. negotiating with Metropolitan Transit Authority of Harris County (Houston, TX) to obtain and exercise their option for up to **36 high-floor articulated buses** from Neoplan USA for delivery in Spring 1999 for a total cost not to exceed \$14 million (including minor modifications, taxes and delivery); and
- B. an exception to the Board's AFI policy to allow the purchase of these high floor, diesel powered, articulated buses.

31. APPROVED on a 2/3 vote, the following actions to allow the **purchase of 20 Low Floor Diesel New Flyer Buses**:

- A. negotiation and exercise of a purchase agreement with ATC/Vance of Las Vegas, Nevada, for delivery in August, 1998 of 20 New Flyer Buses for a total price not to exceed \$5.5 million (including taxes and delivery costs);
- B. the exchange of \$5.5 million in Section 5307 Federal Funding for a like amount of TDA (local) funds in the Enterprise Fund for preventive maintenance purposes so that these buses may be purchased exclusively with local (TDA) funding;
- C. an exception to the Board's AFI policy to allow the purchase of 20 diesel powered low floor buses; and
- D. declaring that conditions exist as defined by California PUC Code 130237 (conditions for authorizing a single source procurement) in order to ensure that the MTA continues to meet its service obligations under the consent decree, and the MTA Board authorizes a purchase under this statute.

32. APPROVED, on a Roll Call vote, re-procurement on a fast track of the **Radio System Retrofit** of the Metro Red Line, Segment 1.

Ayes: Antonovich, Bernson, Cragin, Fasana, Knabe, Legaspi, Yaroslavsky,
Zarian, Riordan
Noes: None
Abstain: Alatorre, Burke (Conflicts)
Absent: Molina, Oropeza

33. APPROVED ON CONSENT CALENDAR:

- A. award of contract for **Configuration Management Staffing Support** to LKG-CMC for the Metro Red Line, Segment 2, North Hollywood Extension for **rail operations support and engineering services reports** from August, 1998 through July, 1999 in an amount not to exceed \$504,788; and
- B. an Authorization for Expenditure (AFE) which provides a contract contingency of \$80,766 for any necessary changes for a total AFE of \$585,554.

Conflict of Interest: Burke

34. APPROVED ON CONSENT CALENDAR:

- A. Change Order No. B241-CO-35.00 with Tutor-Saliba-Perini, JV, covering **temporary decking** over the Vermont/Beverly Station and entrance of the Metro Red Line, Vermont/Hollywood Corridor, in the amount of \$823,600 (an additional \$185,536 over the \$638,064 approved by the Board in April, 1996);
- B. increasing the Authorization for Expenditure by \$606,958 to \$46,710,682 to cover this change order and other pending merited changes within staff authority; and
- C. increasing the Project Budget of \$596,000, which covers the increase of the contract budget to \$46,104,000.

Conflict of Interest: Riordan

35. APPROVED budget increase for the Metro Red Line, Vermont/Hollywood Corridor Project (Segment 2):

- A. an increase in the Construction Line Item in the amount of \$3,103,954;
- B. an increase in the Agency and Professional Services Line Items in the amount of \$51,225,347;
- C. an increase in the Real Estate line item in the amount of \$912,000;
- D. an increase in the Contingency Line Item in the amount of \$12,644,297;
- E. the establishment of a claims contingency in a separate account in the amount of \$19,699,000; funds from the account shall only be used for claims specifically approved by the board;
- F. miscellaneous adjustments in budget line items aggregating a credit of \$1,154,598 which, when taken together with A through E above, will increase the Project Budget a total of \$86,430,000 from \$1,652,341,000 to \$1,738,771,000; and
- G. a request to the Federal Transit Administration to modify the Full Funding Grant Agreement (FFGA) Revenue Operations Date from December 31, 1998 to May 29, 1999.

36. APPROVED ON CONSENT CALENDAR an amendment to extend the **Blue Line MOU for Liability Insurance and Liability Claims Administration** for three years, followed by two successive automatically renewable years, from August 1, 1998 through July 31, 2001.

37. APPROVED:

A. the selection and award of **workers' compensation insurance** for MTA employees and transfer the administration of existing claims inventory to Travelers Insurance Company for a period of three years, at a cost not to exceed \$114.4 million, effective September 1, 1998; and

B. the CEO, or his designee, to execute all necessary documentation.

Conflict of Interest: Yaroslavsky, Riordan

APPROVED Zarian Motion, Amended by Fasana - that the Board requests the CEO, or his designee, to investigate and assess the problems concerning workers' compensation insurance claims and report back to the Board, on a quarterly basis, on the status of and improvements to management, policy and claims administration associated with workers' compensation **and investigation by the Inspector General.**

38. APPROVED ON CONSENT CALENDAR amendments to sole-source contracts with:

A. IBM, Los Angeles, covering:

1. **mainframe computer hardware maintenance** in the amount of \$975,000 for Fiscal Year 1998-1999; and
2. **software license fees** in the amount of \$1,175,000 for Fiscal Year 1998-1999, subject to audit and verification of reasonableness of price and terms;

B. Oracle Corporation, Redwood Shores, covering:

1. Software license fees and services in the amount of \$450,000 for Fiscal Year 1998-1999, subject to audit and verification of reasonableness of price and terms.

39. APPROVED ON CONSENT CALENDAR award of a fixed price contract to Hess & Associates for requisitions 89210194 and 89210207 in the amounts of \$99,400 and \$98,000 respectively, **for software services** to handle the Year 2000 Payroll/Human Resources System project.
41. APPROVED a **Work with Author** position on **SB 1477 (Kopp)** as it allocates funds from the approved State Transportation Improvement Program (STIP) and preempts the full implementation of the STIP.
42. Closed Session - Conference with Legal Counsel - Existing Litigation - G.C. 54956.9 (a):
- A. Beauchamp v. LACMTA, C.D. Cal. Case No. 98-0402-CBM(BQRx)
 - B. Labor/Community Strategy Center v. MTA, U.S.D.C. Case No. CV945936

NO REPORT WAS MADE

44. ANTONOVICH/FASANA MOTION AS AMENDED BY MOLINA - That the CEO, or designee, to cooperate with the cities of Los Angeles, Pasadena, South Pasadena and the San Gabriel Valley Council of Governments in their efforts to develop the full funding plan for the Pasadena Blue Line taking into account the current programmed funding for California Transportation Commission approval in December, 1998 and to develop the framework for the principles of a **Memorandum of Understanding for the purpose of transferring the Pasadena Blue Line Project** to a JPA by January, 1999.

APPROVED, SUBSTITUTE MOTION, directing that a Special Meeting of the Finance & Budget Committee be held and delegating to the Committee the power to determine if the Schiff Bill, as finally negotiated, is consistent with the Recovery Plan; and, if it is determined to be consistent, to communicate to Sacramento a "Support" position on the Bill.

Ayes: Bernson, Burke, Cragin, Knabe, Legaspi, Yaroslavsky, Riordan
 Noes: Alatorre, Antonovich, Fasana, Molina, Zarian
 Abstain: None
 Absent: Oropeza

45. APPROVED on a Roll Call vote, addressing only the issue of allocation of \$37 million of Proposition C Discretionary Funds for the MTA's Consent Decree, and not revisiting the Formula Allocation Procedure or other adopted funding formulas; thereby acknowledging the MTA Board's recognition of the need for equitable allocation of discretionary funds to all eligible and included operators.

Ayes: Antonovich, Bernson, Cragin, Fasana, Knabe, Yaroslavsky, Zarian
Noes: Alatorre, Burke, Legaspi, Molina
Abstain: None
Absent: Oropeza, Riordan

46. CARRIED OVER:

1. Review with impacted parties the current funding formula and recommend changes to accommodate **divestiture of MTA bus service** through either increased municipal operator participation or expanded existing zone service;
2. Refine three-tier service plan definitions and County-wide fare pass, explore divestiture opportunities with municipal operators;
3. Review current zone application guidelines and PUC regulations to determine which would need revision to accommodate proposed zones or expansion of existing zones; and
4. Develop implementation plan for a series of sub-regional boards as more fully described in the divestiture report..

47. APPROVED, AS AMENDED, that the Office of the Chief Executive Officer assign **project budget requests in excess of \$2.5 million, involving a combination of issues, to the jurisdiction of any appropriate Committee and the Finance & Budget Committee** for the necessary deliberations prior to having recommendations forwarded to the Board of Directors.

48. REAFFIRMED, on a Roll Call vote, **the Board's opposition to any State legislation which changes the current MTA Board structure**, including AB 1141, and oppose the proposed amendments which might be introduced as part of this or any other bill.

Ayes: Alatorre, Antonovich, Bernson, Burke, Cragin, Fasana, Knabe,
Yaroslavsky, Zarian
Noes: Legaspi, Molina
Abstain: None
Absent: Oropeza, Riordan

49. RECEIVED AND FILED Planning and Programming Executive Officer's report regarding **organizational changes**.

CRAGIN MOTION requesting a postponement of the reorganization of the Planning & Programming Department until a feasibility plan is developed that incorporates solutions and assurances of continued representation to the cities **FAILED** on a Roll Call vote.

Ayes: Alatorre, Burke, Cragin, Knabe, Molina, Zarian
Noes: Antonovich, Bernson, Fasana, Legaspi, Yaroslavsky, Riordan
Abstain: None
Absent: Oropeza

50. Closed Session: Conference with Legal Counsel - Existing Litigation - Government Code Section 54956.9 9 (a):

LACMTA v. Lazard Freres & Co LLC - San Francisco Superior Court No. 980981.

NO REPORT WAS MADE

51. **APPROVED** partial **release of collateral which secures a loan** to Wiltern Associates in exchange for (1) the assignment of insurance proceeds, if any, to pay off in full the loans made by the MTA, and (2) immediate payment of \$40,000 cash, subject to terms and conditions contained in letter dated July 22, 1998.

Conflict of Interest: Antonovich

52. **FAILED**, on a Roll Call Vote, that the Board of Directors of the Los Angeles Metropolitan Transportation Authority **adopt a resolution calling for a special election on an Ordinance** to create a six year subway construction prohibition, delete language that creates an autonomous decision-making oversight body, adds that the planning for all future MTA rail projects shall include provisions for grade separations and/or signal improvements at major intersections as a means to ensure public safety; and requesting consolidation of the special election with the November 3, 1998 statewide election.

Ayes: Alatorre, Burke, Cragin, Molina
Noes: Antonovich, Bernson, Fasana, Knabe, Yaroslavsky, Zarian, Riordan
Abstain: None
Absent: Legaspi, Oropeza

RECEIVED public comment.

Adjourned at 1:50 p.m.

PREPARED BY: Rhodona Enright, Recording Secretary


Michele Jackson
Assistant Board Secretary



RECAP OF PROCEEDINGS

LOS ANGELES COUNTY, METROPOLITAN TRANSPORTATION AUTHORITY

BOARD MEETING

THURSDAY, JULY 23, 1998

ATTENDANCE

P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	AB	AB
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DIRECTORS VOTING

ITEM NO.	SUBJECT ITEM	ACTION TAKEN	ALATORRE	ANTONOVICH	BERNSON	BURKE	CRAGIN	FASANA	KNABE	LEGASPI	MOLINA	OROPEZA	YAROSLAVSKY	ZARIAN	RIORDAN	HARRIS
1	CONSENT CALENDAR, ITEMS 11,12,16,17,18,25, 33,34,36,38,39	APPROVED	AB	AB	Y	Y	Y	Y	Y	Y	AB	AB	Y	Y	Y	
2	COMMITTEE AUTHORITY ITEMS 6 through 10	NOTED														
3	MINUTES	APPROVED	AB	AB	Y	Y	Y	Y	Y	Y	AB	AB	Y	Y	Y	
4	REPORT OF THE CEO	RECEIVED														
4	REPORT OF THE CHAIR	NO REPORT														
6	STORAGE AND RETRIEVAL OF RECORDS STORED OFF-SITE	APPROVED UNDER COMMITTEE AUTHORITY														
7	REPROGRAPHIC SERVICES	APPROVED UNDER COMMITTEE AUTHORITY														
8	COURIER SERVICES - EXACTA	APPROVED UNDER COMMITTEE AUTHORITY													C	

LEGEND: Y - YES, N - NO, C - CONFLICT, A - ABSTAIN, AB - ABSENT, P - PRESENT



RECAP OF PROCEEDINGS

LOS ANGELES COUNTY, METROPOLITAN TRANSPORTATION AUTHORITY

BOARD MEETING

THURSDAY, JULY 23, 1998

ATTENDANCE	P	P	P	P	P	P	P	P	P	AB	P	P	AB
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DIRECTORS VOTING

ITEM NO.	SUBJECT ITEM	ACTION TAKEN	ALATORRE	ANTONOVICH	BERNSON	BURKE	CRAGIN	FASANA	KNABE	LEGASPI	MOLINA	ORPEZA	VAROSLAVSKY	ZARIAN	RIORDAN	HARRIS
9	ALLISON V-731 TRANSMISSIONS	APPROVED UNDER COMMITTEE AUTHORITY														
10	REPLACEMENT OF WORN ESCALATOR STEP CHAINS	APPROVED UNDER COMMITTEE AUTHORITY														
11	MOU FOR FIVE YEAR SERVICE CONTINUATION ON LINE 608	APPROVED ON CONSENT				C										
12	REJECTION OF BIDS FOR METHANOL FUEL	APPROVED ON CONSENT CALENDAR														
14	DELETION OF MID CITY CORRIDOR - CONTRACT B642	WITHDRAWN BY STAFF														
15	DELETION OF MID CITY CORRIDOR - CONTRACT B644S	WITHDRAWN BY STAFF														
16	CONTRACT C0311 - TRAYLOR BROS. MODIFICATIONS	APPROVED ON CONSENT CALENDAR													C	

LEGEND: Y - YES, N - NO, C - CONFLICT, A - ABSTAIN, AB - ABSENT, P - PRESENT



RECAP OF PROCEEDINGS

LOS ANGELES COUNTY, METROPOLITAN TRANSPORTATION AUTHORITY

BOARD MEETING

THURSDAY, JULY 23, 1998

ATTENDANCE		P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	AB	AB
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DIRECTORS VOTING

ITEM NO.	SUBJECT ITEM	ACTION TAKEN	ALATORRE	ANTONOVICH	BERNSON	BURKE	CRAIN	FASANA	KNABE	LEGASPI	MOLINA	OROPEZA	YAROSLAVSKY	ZARIAN	RIORDAN	HARRIS
17	PAYMENT FOR SLAB ON GRADE CONCRETE	APPROVED ON CONSENT CALENDAR													C	
18	CONTRACT B740 - JOY TECH	APPROVED ON CONSENT CALENDAR														
19	PMA CONTRACT - FLUOR DANIEL	APPROVED	C	C	Y	Y	Y	Y	Y	Y	C	AB	N	Y	C	
21	CLOSED SESSION	NO REPORT														
25	SUPPORT POSITION - SB 1758 (KELLEY)	APPROVED ON CONSENT CALENDAR														
29	CLOSED SESSION	NO REPORT														
30	36 HIGH-FLOOR ARTICULATED BUSES	WITHDRAWN BY STAFF														
31	PURCHASE OF 20 LOW FLOOR DIESEL NEW FLYER BUSES	APPROVED	A	Y	Y	A	Y	Y	Y	Y	Y	AB	Y	Y	Y	

LEGEND: Y - YES, N - NO, C - CONFLICT, A - ABSTAIN, AB - ABSENT, P - PRESENT

