

MINUTES

2

Los Angeles County
Metropolitan Transportation Authority

Regular Board Meeting Board of Directors

One Gateway Plaza
3rd Floor Boardroom

Called to Order at 10:07 A.M.

Directors Present:

Frank Roberts, Chair
James Hahn, 1st Vice Chair
Gloria Molina, 2nd Vice Chair
Mike Antonovich
Yvonne B. Burke
John Fasana
Tom LaBonge
Martin Ludlow
Pam O'Connor
Beatrice Proo
Ed. P. Reyes
Zev Yaroslavsky

Officers

Roger Snoble, Chief Executive Officer
Michele Jackson, Board Secretary
Karen Gorman, Ethics Officer
William Waters, Inspector General
County Counsel, General Counsel



Metropolitan Transportation Authority

Metro

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

1. APPROVED Consent Calendar Items: 2, 7, 8, 15, 16, 23, 24, 40, and 41.

Item 6 was withdrawn. Items 10 and 17 were removed from Consent Calendar.

2. APPROVED ON CONSENT CALENDAR **Minutes** of Regular Board Meeting held October 28, 2004.

3. RECEIVED Chair's Report.

- Adjourn in memory of Esther Smicklas, mother of Board Member, Pam O'Connor.

Director O'Connor mentioned that her mother was an advocate of good public transportation and relied on public transit throughout her life, both in Chicago and L.A. County.

4. RECEIVED Chief Executive Officer's Report.

- Noted that staff is working on issues related to the ten-year forecast and that this will be brought back to the Board at a later time.
- State Developments: Due to the anticipated \$6 billion dollar budget deficit, Prop 42 may be suspended for the fourth year in a row. Various Southern California transportation agencies, the California Business Roundtable, and Chambers of Commerce are working to take a stand to protect Prop 42. A coalition will be formed, much of it centered around Mobility 21, to send the message to State officials that Prop 42 plays a significant role in continuing the mobility agenda.

7. APPROVED ON CONSENT CALENDAR:

- A. authorizing the Chief Executive Officer to execute Funding Agreements with Orange County Transportation Authority (OCTA), Riverside County Transportation Commission (RCTC), Ventura County Transportation Commission (VCTC), San Bernardino Associated Governments (SANBAG), Southern California Association of Governments (SCAG) and Caltrans Districts 7, 8, 11 and 12 to develop the **Multi-County Goods Movement Action Plan;**

- B. directing the Chief Executive Officer to utilize the Transportation Planning Bench to advertise and procure a contract(s) for specialized consultant expertise for the Multi-County Goods Movement Action Plan based on the draft task outline for an amount not to exceed \$1.275 million, with the understanding that a combination of LACMTA, OCTA, SANBAG, RCTC, VCTC, SCAG and Caltrans staff resources will be used in addition to the consultant effort; and
 - C. receiving and filing initial list of Los Angeles County Goods Movement projects from LACMTA's TEA-21 reauthorization list to be included in a multi-county goods movement effort to seek new funding sources.
8. APPROVED ON CONSENT CALENDAR:
- A. a request from the City of Santa Monica for \$30 million from its Transportation Development Act (TDA) Capital Rail Reserve, so that it may purchase right-of-way parcels in advance of construction of a **potential future Downtown/Civic Center terminus station for the Metro Exposition Transit Corridor**. Approval is subject to Santa Monica maintaining the purchased property for transit-related use until the terminus station is constructed; and
 - B. amending the Fiscal Year (FY) 2004-05 Budget to include expenditures and revenues of \$30 million of TDA Capital Rail Reserve funds for payment to Santa Monica.
10. REFERRED BACK TO PLANNING AND PROGRAMMING COMMITTEE TO ALLOW STAFF TIME TO MEET WITH CONGRESSMAN WAXMAN: LABONGE MOTION that the MTA Board support **federal legislation that lifts the prohibition of the use of federal funds for the planning, designing, and constructing or operating a subway** within the boundaries of Robertson Boulevard to Beverly Boulevard, Oakwood Avenue to La Brea Avenue; La Brea to Melrose Avenue; Melrose Avenue to Rossmore Avenue; Rossmore Avenue to Eighth Street; La Brea Avenue to Olympic Boulevard; Olympic Boulevard to San Vicente Boulevard; San Vicente Boulevard to Third Avenue; and

Further that the MTA Planning Department staff analyze the appropriateness of removing any of the restrictions on the use of transportation sales tax revenues for planning, designing and construction of any new subway in some or all transit corridors; and that staff, as part of this assessment, analyze the financial implications of any changes to transportation sales tax revenues on the capacity of the MTA to develop light rail and other non-subway transit projects serving all areas of the County, including the impact on the timing of approved or prioritized mass transit projects in Los Angeles County.

15. APPROVED ON CONSENT CALENDAR adopting the proposed **2005 Federal, State, Local and Regional Legislative Program**.
16. APPROVED ON CONSENT CALENDAR revisions to the **Records Retention Schedule**.
17. REFERRED BACK TO EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE authorizing the Chief Executive Officer to execute a 10-year revenue contract with Transit Television Network (TTN) to install, operate, maintain, and sell **advertising on a passenger information system** (consisting of small video screens on the bus fleet) in exchange for a minimum annual payment of \$100,000 or ten percent of gross advertising revenues, whichever is greater.
18. CLOSED SESSION:
 - A. Conference with Legal Counsel – Existing Litigation – G.C. 54956.9 (a):
 - 1) Quiroz v. MTA GC028545
APPROVED settlement in the amount of \$700,000.
 - 2) Estrada v. MTA GC029338
APPROVED settlement in the amount of \$550,000.
 - B. Personnel Matters – G.C. 54957:
 - 1) Public Employee Performance Evaluation – Chief Executive Officer
NO REPORT.
 - 2) Public Employee Performance Evaluation – All positions filled from July 2003 through November 2004 by promotion, demotion, transfer, or appointment.
NO REPORT.
 - C. Conference with Labor Negotiator – G.C. 54957.6

Agency Negotiators: Roger Snoble and Brenda Diederichs
Employee Organizations: ATU, UTU, TCU

NO REPORT.

22. CARRIED OVER TO JANUARY BOARD MEETING amending the FY05 Budget to transfer:
- A. General Fund Unreserved Designated funds to the Enterprise fund to recognize the **projected FY05 Fare Revenue shortfall** of \$9 million for Bus Operations; and
 - B. Proposition C 40% funds to the Enterprise fund to recognize the projected FY05 Fare Revenue shortfall of \$11 million for Rail Operations.

23. APPROVED ON CONSENT CALENDAR awarding a non-competitive contract to MBIA MuniServices Company (MMC) for **sales tax audit, forecasting, and revenue recovery services** for three years, with two one-year options.

Audit and revenue recovery services are on a contingency basis at the following rates:

<u>Recoveries</u>	<u>Fee %</u>
Under \$6M	23%
\$6M-20M	17%
Over \$20M	11%

Forecasting services are at a fixed cost of \$6,250 per quarter for the first year, adjusted annually by an amount equal to the local Consumer Price Index, for an amount not to exceed \$135,000 for the full five-year period.

24. APPROVED ON CONSENT CALENDAR authorizing the Chief Executive Officer to award a seven-year contract to Milliman, Incorporated, the technically acceptable lowest bidder, for **actuarial analysis and valuation services** for an amount not to exceed \$412,000, inclusive of two two-year options, effective January 3, 2005.
25. AUTHORIZED the Chief Executive Officer to award a seven-year, fixed fee Contract No. PS-5310-1573 to Aon Risk Services, Inc. for **Insurance Brokerage Services** in the amount of \$2,728,859, inclusive of two one-year options, effective January 1, 2005.
27. RECEIVED AND FILED the **ordinance establishing procedures for processing construction change orders**.

28. AUTHORIZED the Chief Executive Officer to execute Contract Modification No. 41.00 to Contract No. C0675 Design/Build with Shimmick Construction Co., Inc./Obayashi Corp., J.V. to add **Rubberized Asphalt Concrete pavement along selected segments of the busway** in the amount of \$726,619 and to delete Asphalt Concrete or Portland Cement Concrete pavement in the credit amount of \$587,639, with a net value of \$138,980.
29. AUTHORIZED the Chief Executive Officer:
- A. to negotiate and execute a five-year labor-hour Contract No. EN073 to TRC Solutions, Inc. for **Environmental Engineering Services** on Task Orders, inclusive of two one-year options with an initial amount not to exceed \$3.6 million for the first two years. Should staff be unable to conclude negotiations with TRC, staff requests authority to negotiate with the next most qualified proposer; and
 - B. upon successful completion of negotiations: to execute all individual Task Orders and changes within the Board approved contract value.
38. RECEIVED AND FILED the report on **debris and rubbish issues** on the Union Pacific's Right-of-Way adjacent to Metro's Blue Line Right-of-Way.
39. APPROVED PROO SUBSTITUTE MOTION to extend the existing **contract with Spear Technologies** through January 2005:
- A. ~~increasing the Life of Project budget by \$4.53 million for the **Maintenance and Materiel Management System** from \$28.80 million to \$33.33 million, including \$100,000 of additional contingency, due to cost increases in additional equipment, extension of the vendor contract and additional labor resulting from the schedule extension;~~
 - B. ~~amending the FY05 budget to 1) transfer \$1.5 million of expenses and revenues from the Enterprise Fund to the Capital Fund due to the additional labor resulting from the schedule extension; and 2) increase revenues and expenditures by \$3.03 million; and~~
 - C. ~~authorizing the Chief Executive Officer to execute Modification No. 7 to Contract No. PS-9240-1264 with Spear Technologies to extend the schedule associated with the acquisition and implementation of a Maintenance and Materiel Management System for a period of five months for a firm fixed price of \$1,126,191, increasing the total contract value from \$20,836,322 to \$21,962,513.~~

40. APPROVED ON CONSENT CALENDAR authorizing the Chief Executive Officer to:
- A. accept **security grants** for a total of \$2.3 million:
 - 1. \$1.5 million from the federal Department of Homeland Security (DHS), and
 - 2. \$795,280 from the state DHS; and
 - B. amend the FY05 budget to reflect the increase in revenues and expenditures.
41. APPROVED ON CONSENT CALENDAR authorizing the Chief Executive Officer to award a firm fixed price contract under Bid No. OP-39201540 with Villa Ford, the lowest responsive and responsible bidder for 15 **Crown Victoria security sedans** for an amount not to exceed \$324,750 inclusive of sales tax.
42. Conference with Real Property Negotiators Concerning Price and/or Terms of Payment – G.C. 54956.8 – Division 10 Expansion Project

Negotiator: Velma Marshall

Parcel No.	Owner	Address
WI-100	Arnold W. & Ruth Carlson, Trustees of the Arnold & Ruth Carlson Family Trust	Bounded by Mission Road to the NW, Golden State (5) freeway to the NE, San Bernardino (10) freeway to the SE, Cesar Chavez Ave. to the SW

APPROVED just compensation and instructed negotiator regarding an offer.

43. APPROVED the following nominees for membership on the **South Bay Sector Governance Council**:
- John McTaggart: Former elected official and former MAX Board member (re-appointment).
 - Lou Mitchell: Watts-L.A. Neighborhood Council and transit user (re-appointment).
 - John Addleman: Rolling Hills Estates Councilmember, (new appointment, nomination submitted by P.V. Transit).

44. **FAILED DUE TO CONFLICTS** authorizing the Chief Executive Officer to enter into a **six-month Exclusive Negotiation Agreement (ENA) with C. Chavez/Soto, LLC** for the development of approximately 3.5 acres of Metro-owned properties located in the proximity of the intersection of Cesar Chavez Blvd. and Soto St.

CARRIED OVER FROM OCTOBER BOARD MEETING

45. **APPROVED:**
- A. certification that the **FEIR and the Revised FEIR (transmitted previously under separate cover) for the San Fernando Valley East-West Transit Corridor Project**, including the Comments, Responses to Comments, and Errata Sheets are in compliance with the California Environmental Quality Act (CEQA); the FEIR and the Revised FEIR were presented to the Board; the Board reviewed and considered the information contained therein; and the Board's decision based on the FEIR, Revised FEIR, the staff report, and the public testimony reflects the Board's independent judgment and analysis;
 - B. adoption of the Full Bus Rapid Transit Alternative (Orange Line), along with the Transportation System Management (TSM) bus service improvements, as the Project;
 - C. adoption of the Findings and Statement of Overriding Considerations, which includes a determination that the Orange Line/TSM Alternative is the Preferred Alternative;
 - D. adoption of the Mitigation Monitoring and Reporting Plan (MMRP) for the Project, and pursuant to Section 21081.6 of the Public Resources Code, the finding that the MMRP is adequately designed to ensure compliance with the mitigation measures during project implementation;
 - E. authorization for the CEO to file a Notice of Determination; and
 - F. recertification and reapproval of earlier FEIR Addenda and related project modifications previously approved by the Board, and reauthorization of previously adopted budget, contractual and financial obligations, and delegations of authority associated with the Project.

46. AUTHORIZED the Chief Executive Officer to execute a Delay Mitigation Agreement to Contract No. C0675 Design/Build with Shimmick Construction Co., Inc./Obayashi Corp., J.V. (SOJV) to **recover schedule delays and settle time related claims in lieu of compensable time extensions for the Metro Orange Line Project** for an amount not to exceed \$7.9 million. This recommendation is made contingent upon the Board taking action to again adopt the Orange Line project as the preferred alternative when the revised environmental impact report is presented to the Board for consideration. If the Board does not select the Orange Line as the preferred alternative, the recommendation herein will be withdrawn from the agenda and not considered.

CARRIED OVER FROM OCTOBER BOARD MEETING

47. APPROVED the **FY05 Budget total expenditure plan** of \$2.950 billion.
48. APPROVED BURKE AND YAROSLAVSKY MOTION that a **final reconciliation budget** be annually presented to the MTA Board for approval before the final budget book is published.
49. CARRIED OVER TO JANUARY BOARD MEETING:
- A. approving **reconciliation of actual salaries**, effective March 1, 2004 through July 2, 2004, of twenty-three (23) non-contract positions that exceed the estimated average salaries attached to the FY05 Budget Board Report; and
 - B. ratifying salaries of twelve (12) non-contract positions, effective July 2, 2004 through November 30, 2004 that exceed the FY05 estimated average salaries.
50. APPROVED REVISED HAHN MOTION **AS AMENDED** BY FASANA that the MTA Board of Directors direct staff to:
- A. allow MTA to implement this **Rapid Bus Line** in its truncated form, stopping at Hollywood and Vine for now;
 - B. return to the February Operations Committee with a recommendation on how to implement Rapid Bus service south on Fairfax to the West L.A. Transit Center as originally planned; and
 - C. add the implementation of the Fairfax Rapid service into the service changes for June 2005.

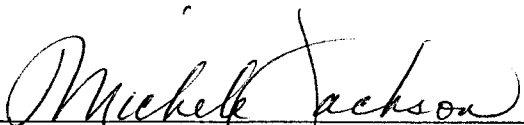
AMENDMENT - refer to Service Sectors before the item comes back to the Board.

51. APPROVED AS AMENDED BY HAHN authorizing the Chief Executive Officer to **offer free fare on December 31 only**, from 9 PM to 2 AM on all Metro buses and rail lines.

52. APPROVED BURKE AND YAROSLAVSKY MOTION that this Board instruct the Inspector General to initiate a confidential investigation into the following:
 1. Review all **personnel files for individuals laid off since January 2002** to determine:
 - If their position numbers, classifications have been re-used or changed and the subsequently created new positions have been re-filled? Were any of the “re-filled” positions given to laid-off employees?
 - What actions did the HR Department take to inform employees of new opportunities available within MTA for up to one year after their separations?
 - What re-training activities were made available to provide employees with skills for jobs within other departments in MTA? What re-training opportunities were made available to laid-off employees?
 2. Determine the number of positions abolished;
 - The number of new positions created,
 - How many of the new positions created involved laid off employees, and
 - How many of the new positions required bringing in personnel from other transit agencies?
 3. In how many cases where personnel were brought into the agency could a laid off employee have been retrained for the job; and,
 - In how many cases were laid off employees interviewed or even contacted about job availability?
 4. Provide the *Equal Employment Opportunity* (EEO) data, by category, by year as well as cumulative data in each grouping and note changes.
 5. The Inspector General shall report back to the full Board at the April 2005 meeting on the status and results of his investigation.

RECEIVED public comment.

Prepared by: Michele Chau
Recording Secretary


Michele Jackson, MTA Board Secretary

RECAP OF PROCEEDINGS
LOS ANGELES COUNTY, METROPOLITAN TRANSPORTATION AUTHORITY
REGULAR BOARD MEETING
MONDAY, DECEMBER 13, 2004

DIRECTORS VOTING

ATTENDANCE			P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	A	A
ITEM NO.	<u>SUBJECT ITEM</u>	<u>ACTION TAKEN</u>	O'CONNOR	LUDLOW	FASANA	MOLINA	BURKE	HAHN	ROBERTS	ANTONOVICH	YAROSLAVSKY	KNABE	PROO	REYES	LABONGE	WONG			
1	APPROVE CONSENT CALENDAR ITEMS: 2, 6, 7, 8, 10, 15, 16, 17, 23, 24, 40, AND 41. ITEM 6 WAS WITHDRAWN. ITEMS 10 AND 17 WERE REMOVED FROM CONSENT CALENDAR.	APPROVED	Y	A	Y	Y	Y	Y	Y	A	Y	A	Y	Y	Y				
2	APPROVE MINUTES OF REGULAR BOARD MEETING HELD OCTOBER 28, 2004.	APPROVED ON CONSENT CALENDAR																	
3	CHAIR'S REPORT -ADJOURN IN MEMORY OF ESTHER SMICKLAS, MOTHER OF BOARD MEMBER, PAM O'CONNOR.	RECEIVED	Y	A	Y	Y	Y	Y	Y	A	Y	A	Y	Y	Y				
4	CHIEF EXECUTIVE OFFICER'S REPORT	RECEIVED	Y	A	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	Y				

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

RECAP OF PROCEEDINGS
LOS ANGELES COUNTY, METROPOLITAN TRANSPORTATION AUTHORITY
REGULAR BOARD MEETING
MONDAY, DECEMBER 13, 2004

DIRECTORS VOTING

ATTENDANCE		DIRECTORS VOTING													
ITEM NO.	SUBJECT ITEM	O'CONNOR	LUDLOW	FASANA	MOLINA	BURKE	HAHN	ROBERTS	ANTONOVICH	YAROSLAVSKY	KNABE	PROO	REYES	LABONGE	WONG
	<u>ACTION TAKEN</u>														
6	<p>CONSIDER:</p> <p>A. RECEIVING AND FILING THE FY05 TEN-YEAR FORECAST; AND</p> <p>B. DIRECTING THE CHIEF EXECUTIVE OFFICER TO:</p>														
6	<p>1. ESTABLISH A RAINY DAY RESERVE TO BE USED FOR UNFORESEEN OPERATING SHORTFALLS SUCH AS FUEL PRICE SPIKES OR RIDERSHIP DECLINES;</p> <p>2. DEVELOP GUIDELINES FOR THE USE OF THE RESERVE AND RECOMMEND AN APPROPRIATE AMOUNT TO BE FUNDED FROM CURRENTLY UNRESERVED GENERAL FUND BALANCES;</p>														

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

