



In one of her last official duties as MTA Board Chair, County Supervisor Yvonne Brathwaite Burke commends Mayor Richard Riordan for his leadership and service as a member of the Board. PHOTO BY BILL HEARD

Board Action Update: June 28

Board Upgrades 401(k) and 457 Savings Plans; Improves Retiree Medical Plan

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Actions also were taken on the [transit police contract](#), [CNG fueling stations](#), a [pedestrian underpass](#) connecting the Universal City Metro Rail station and Universal Studios, a [joint development](#) at the Wilshire/Western station and improvements at the [El Monte Transit Station](#), a proposal to develop a portion of the [Taylor Yards](#) and a ["defeased lease"](#) of 67 light-rail cars.

(June 28, 2001) The MTA Board took affirmative action, today, to improve employee benefits by voting to upgrade the 401(k) and 457 savings plans. The Board made substantial improvements in

the retiree medical plan by increasing the agency's share of the cost and reducing the age and years of service required for eligibility.

The Board also voted to cancel Line 497 (LA-Pomona-Montclair) in favor of service to be offered on Foothill Transit Line 699 and the Metrolink San Bernardino Line.

Actions also were taken on the transit police contract, CNG fueling stations, a pedestrian underpass connecting the Universal City Metro Rail station and Universal Studios, a joint development at the Wilshire/Western station and improvements at the El Monte Transit Station, a proposal to develop a portion of the Taylor Yards and a "defeased lease" of 67 light-rail cars.

Updates to 401(k) and 457 plans, Item 28. Approved by the Board. The revised 401(k) and 457 plans permit employees to contribute up to \$11,000 annually in either the 401(k) Plan or the 457 Plan – or into both, for a total of \$22,000. The contributions limit will increase \$1,000 a year until it reaches \$15,000 for each plan, a total of \$30,000, in 2006.

See [metro.net June 14: New Law to Equalize 401\(k\) and 457 Plans: Double Contributions](#)

Retiree Medical Plan, Item 33. Approved by the Board with an amendment requiring a staff report in August on other possible benefits and a history of this issue since the 1993 merger. The motion would adopt the revised non-contract and Teamsters retiree medical plan that liberalizes the eligibility requirements and improves the pre-65 years of age benefit, effective July 1, 2001.

FY 2001 Service Change, Item 12. Approved by the Board with a provision that Foothill Transit will address the issue of providing sufficient seating. The staff has recommended canceling Line 497 (LA-Pomona-Montclair) because the service is duplicated by Foothill Transit Line 699 and Metrolink San Bernardino Line service. Line 497 has the second-highest subsidy rate and the second lowest productivity rate in the Metro Bus system, according to a staff report. It operates 35 one-way bus trips daily requiring 10 peak buses that carry about 750

passengers per day. The subsidy per passenger is \$3.47, compared with a system average subsidy of \$1.31.

Transit Police Contracts. Item 52. Approved by the Board with an amendment requiring a staff report on the effect of the new contract on the MTA's anti-graffiti program. The Board approved contracts totaling \$50.57 million with the LAPD and Sheriff's Department for transit policing services in FY 2002. The LAPD will provide 219 sworn officers and the Sheriff's Department 153. The contracts include funding for 54 civilian personnel in the two agencies.

The \$50.57 million expenditure is \$2.9 million more than approved by the Board in May, but the agency expects to make up the difference in agency-wide savings by mid-year.

"This level of expenditure," says a report to the Board, "will ensure that the MTA, along with our law enforcement partners, remain(s) in the forefront of transit security nationwide."

The report noted that crime on the public transit system is "extremely low" and that the system is "very safe for our riders and employees."

Construction of CNG Fueling Facilities at Divisions 2, 9 and 15, Item 14. Approved by the Board. The Committee will consider awarding a 10-year, \$42.857 million lease to The Hanover Company of Broken Arrow, Okla., to design, build and maintain CNG fueling stations at divisions 2 and 9 and a replacement station at Division 15, with options for facilities at divisions 6 and 12. The Committee will consider whether to authorize the CEO to execute a \$22.1 million lease agreement with G.E. Capital Public Finance, Inc., of Minneapolis, for the fueling stations.

The MTA currently can fuel up to 1,500 CNG buses. By the end of FY 2002, the agency will need to fuel a CNG fleet of more than 1,940 coaches. CNG fueling stations already are in place at divisions 1, 3, 5, 7, 8, 10, 15 and 18.

Pedestrian Underpass at the Universal City Metro Rail Station, Item 26. Approved by the Board. The Committee will be asked to authorize the CEO to execute a \$452,416 change order for the redesign of a pedestrian tunnel under Lankershim Boulevard that would connect the Universal City Metro Rail station and Universal Studios.

In a 1994 Memorandum of Understanding between the MTA and MCA, the agency agreed to construct the tunnel with two entrance portals on the Universal Studios property. In May 2001, the Board amended the MOU to delete one portal on Universal Studios' property, widen the tunnel, provide an additional escalator and stair and construct a right-turn lane on Universal Terrace Parkway. Universal Studios and LADOT agreed to these revisions.

Joint Development at Wilshire/Western. Item 5. Approved by the Board. The Board authorized the CEO to enter into a six-month exclusive negotiations agreement with Wilshire Entertainment Center for development of about 2.34 acres at the Wilshire/Western station.

The company is proposing a 50,800-square foot mixed-use development with retail space and restaurants, 182 rental units occupying 248,000 square feet, 10,000 square feet for mechanical and administrative use, and 156,200 square feet of parking. The area would accommodate 12

41-foot buses and one 60-foot bus.

El Monte Transit Station Improvement Program, Item 41.

Approved by the Board. The Committee will consider awarding Foothill Transit \$369,757 under the 1995 Call for Projects for improvements at the El Monte Transit Station.

The improvements would include new signage, concrete paving treatments and a new information pylon at the main tunnel entrance. Foothill would remodel the vacant transit store to sell fare media and provide schedule information to customers. Other improvements would include enhanced security, new bus benches, walkways and signage, bulletin boards, landscaping, lighting and art.

The El Monte station is the major transit hub in the San Gabriel Valley, serving 6,826 Foothill and 2,777 Metro Bus passengers daily.

Development of Taylor Yards, Parcel C. Item 9. Approved by the

Board. The Board directed the MTA staff to work with the City of Los Angeles during the next 60 days on issues concerning appropriate uses for a portion of the Taylor Yards called Parcel C. The staff was directed to begin an appraisal of the site and to report back in 60 days with a list of options for use of the land.

The MTA owns the 24-acre Taylor Yards, which lies along the Los Angeles River between the Pasadena Freeway and the Glendale Freeway. The MTA purchased the property in the late 1980s for use as a maintenance yard for the Pasadena Blue Line, but another site has been chosen.

The City of Los Angeles and the California Department of Parks and Recreation are working together to secure funding to purchase Parcel C from the MTA for recreational use.

Defeased Lease Transaction, Item 30. Approved by the Board. The motion would authorize the CEO to negotiate a "defeased lease" with Fleet Capital Leasing for the 15 Sumitomo light-rail cars and 52 Siemens light-rail cars. The contract is expected to generate a gross benefit of between \$15.5 million and \$26 million to the MTA.

Earlier this year, the Board approved a defeased lease deal that could earn up to \$14 million for the agency. Included in the deal are the Regional Rebuild Center, rail divisions 20 and 22, the Rail Operations Center, and bus divisions 3 and 18.

Non-Contract Pension, Item 46. The Executive Management Committee has continued this item for 30 days. The Committee requested more information in order to study the issue further. The motion would adopt the revised non-contract pension benefit formula of 2 percent at age 55 for service after July 1, 2001.

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