



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

May 21, 1998

Called to order at 9:50 A.M.

Directors Present:

James Cragin, Second Vice Chair
Richard Alatorre
Michael Antonovich
Hal Bernson
John Fasana
Don Knabe
Jose Legaspi
Jenny Oropeza
Zev Yaroslavsky
Larry Zarian
Tony V. Harris, Ex Officio

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 **10, 12 through 15, 17 through 19, 24 through 28, 32, 37, 38**

NOTED **Committee Authority** Items 7 through 9.

2. APPROVED **Minutes** of April 23, 1998, Regular Board Meeting and May 13, 1998, Special

Board Meeting.

3. RECEIVED Chief Executive Officer's Report
 - A. Release of the FY 99 Budget document
 - B. Cost savings in Workers' Compensation Program
 - C. Implementation of Agreement with Neoplan (Item 37 Molina motion)
 - D. Implementation Plan for the Restructuring Plan
 - D. Milestone meetings for transit alternative analysis

4. RECEIVED 2nd Vice Chair's Report

7. APPROVED UNDER OPERATIONS COMMITTEE AUTHORITY (4-0):
 - A. Rejection of all bids received on January 20, 1998 in response to IFB No. OP33400911 for **graffiti abatement services** for transit facilities;

 - B. Extension of Contract No. 6022 with Building Maintenance Specialists (BMS) on a month-to-month basis with the current scope of work at a monthly rate of \$17,500 for a period of six months for a total amount not-to-exceed \$105,000 in order to maintain service during re-solicitation and award of a new contract with increased scope of work.

8. APPROVED UNDER OPERATIONS COMMITTEE AUTHORITY (4-0): Award of 27-month contracts to the lowest responsive, responsible bidders under Bid No. 01-9829 covering **procurement of engine oil** at a total bid price of \$1,374,340:

A.Poma Distributing Co., Items 1, 5 & 7	\$153,563
B.Patten Energy Enterprises, Items 2, 8 & 9	339,365
C.Western Petroleum, Items 3 & 6	124,121
D.B & M Enterprises, Item 4	757,291

9. APPROVED UNDER OPERATIONS COMMITTEE AUTHORITY (4-0): Award of contract to Cummins Cal Pacific, Inc., Montebello, the only local service center qualified to provide training on the Cummins CNG engines, covering provision of **maintenance training program** for up to 100 Cummins L10G Phase II (natural gas) engines, at a cost not to exceed \$215,000.

10. APPROVED ON CONSENT CALENDAR sale of buses through the use of an **off-site auction** for an estimated revenue of \$40,000, less approximately \$7,000 in towing fees.

12. APPROVED ON CONSENT CALENDAR increase to the Authorization for Expenditure for Contract CM001 with LKG-CMC, Inc., covering **configuration management services** for Metro Red (A) Line, North Hollywood Extension (Segment 3) in the amount of \$68,046 for a total revised AFE of \$1,223,595.

13. APPROVED ON CONSENT CALENDAR:

- A. rejection of all bids for Invitation for Bid (IFB) H0123 covering **variable message signs** for the Metro Red (A) Line, North Hollywood Extension, Segment 3; and
- B. issuance of RFP H0123 with a revised scope of work for the variable message signs.
14. APPROVED ON CONSENT CALENDAR a **five-year lease agreement** with the State of California, Department of Transportation (Caltrans) effective July 1, 1998 covering approximately 42,239 square feet of land located at Washington Boulevard and Fairfax Avenue at a lease rate of \$4,224 per month or \$253,440 for the five year term.
15. APPROVED ON CONSENT CALENDAR appointment of a financial **underwriter pool** consisting of 15 firms selected pursuant to a competitive procurement process under RFIQ No. PS-5210-0269 for a two year period.
16. PULLED BY STAFF declaring certain MTA real properties as **surplus properties** and authorized the sale to the highest bidders subject to review of item "A" by MTA Legal Department:
- | | <u>Location</u> | <u>Highest Bidder</u> | <u>Price</u> |
|----|--|-----------------------|--------------|
| A. | South side of Ceres Avenue
North of 6 th St., Los Angeles | Ernest Doizaki | \$85,000 |
| B. | West side of Hoover Street
between 47 th St & 48 th St,
LA | Lane Lowry | \$37,100 |
| C. | Northeast corner of 54 th St.
& Arlington Av., Los
Angeles | Jong Pyo Hong | \$34,000 |
17. APPROVED ON CONSENT CALENDAR extension of letter of credit with the Industrial Bank of Japan covering **taxable commercial paper program** for a period of one year from June 28, 1998 through June 27, 1999, for an approximate cost of \$180,000 for FY 99.
18. APPROVED ON CONSENT CALENDAR:
- A. all contractual issues involving **payment to contractors and subcontractors** that are carried over, by necessity due to lack of quorum, to the next month's agenda will be placed at the beginning of the next month's full Board Agenda and taken up as the first order of business; furthermore,
- B. upon passage by the Board, MTA staff will then exercise the utmost due diligence to ensure that all subcontractors are paid as quickly as possible.
19. APPROVED ON CONSENT CALENDAR the following positions on **state legislative** bills:
- A. AB 1368 (Villaraigosa) and SB 1857 (Brulte) - Co-joined bills which authorize the creation of a grant program for the purchase of clean fuel vehicles and provide for State

General Fund monies to fund the program, **SUPPORT**

- B. AB 2077 (Gallegos) - Allows individual acts of vandalism with a common purpose to be aggregated over a six-month period for purposes of determining the level of damage committed and the appropriate charge to be filed, **SUPPORT**
- C. AB 2132 (Murray) - Allows the MTA to make expenditures of up to \$2,500 without soliciting three price quotes, **SUPPORT**
- D. SB 1388 (Knight) - Prohibits a public agency from offsetting costs associated with acquiring sections of property through eminent domain, **OPPOSE**

APPROVED AS AMENDED BY DIRECTOR YAROSLAVSKY:

YAROSLAVSKY/BURKE MOTION:

We, therefore, move that staff develop a plan to implement the following recommendations and report back to the Board within 60 days on the cost, available funding (including grants and other external sources) and proposed completion schedule:

1. Expand and improve the public education program for the Metro Blue (B) Line;
2. Install added safety elements, like striping and lighting, to increase pedestrian awareness of incoming trains;
3. Install new pedestrian crossing arms in high-traffic areas;
4. Install new pedestrian gates in high-risk areas;
5. Expand photo enforcement program to new intersections along the Blue (B) Line;
6. Expand photo enforcement program along Washington Boulevard, which has recently experienced an increase in Blue (B) Line and vehicle collisions;
7. Work with state and local elected officials to implement legislation that would increase the penalty for violating grade crossing and left turn prohibitions. Work with state and local elected officials to implement legislation that would mandate community service for grade crossing violators or make it mandatory for violators to attend traffic schools or other public education programs.

22. **CLOSED SESSION** - Conference with Legal Counsel - Existing Litigation - G.C. 54956.9 (a):

Louis Ross v. LACMTA, Los Angeles Superior Court Case No. BC153410

PULLED BY STAFF

County Counsel Kelsey announced the addition of an existing litigation matter, Case MC189760 Adams v. MTA and two personnel matters: Amelia Earnest.

NO REPORT WAS MADE

24. APPROVED ON CONSENT CALENDAR amendment to Contract No. 07H001 with CH2M HILL to complete **design work and provide construction support services to Caltrans for Segment 1 of the Route 10 HOV lane project** (Baldwin Ave. to Route 605), in the amount of \$3,073,743, which includes \$2,794,312 for the contract amendment and a 10% contingency of

\$279,431 for a cumulative amount of \$6,970,351.

25. APPROVED ON CONSENT CALENDAR:

- A. the revised **Freeway HOV/TOS program** of funded projects in accordance with the schedules and budgets presented; and the one-time redistribution of programmed funds previously approved, among Freeway TOS projects; and
- B. continuation of the policy of deobligating final project cost savings and making such funds available in subsequent Call For Projects processes.

26. APPROVED ON CONSENT CALENDAR MTA's **financial commitments** to the work program presented in **SCRRA's** FY 99 Preliminary Budget subject to an FY 99 subsidy cap of \$24.8 million for Operations and \$7.7 million for Capital Maintenance.

27. APPROVED ON CONSENT CALENDAR funding deobligation and reprogramming for specified projects in order to fully fund **Los Angeles County 1998 STIP**:

- A. Concur with the State of California, Department of Transportation (Caltrans) request to deobligate \$4.3 million in 1996 STIP funds previously programmed in Fiscal Year 1998-99 for Route 105/405 Interchange Hazardous Waste Investigation and Mitigation;
- B. Apply the \$4.3 million in deobligated 1996 STIP funds from the route 105/405 Interchange Hazardous Waste Investigation and Mitigation Project to the Route 2 Roadway Reconfiguration Project (Santa Monica Blvd. Transit Parkway) if there are not sufficient funds provided through ISTEA II to meet project needs;
- C. Remove the \$3.2 million Route 210 Soundwall project from the 1998 STIP submittal, since the required Project Study Report is not complete, and reprogram the funding towards the Route 405 Arbor Vitae Interchange (south half) which has a shortfall of \$7.3 million;
- D. Deobligate \$10.1 million of a total of \$12.3 million in Prop C funding for Traffic Operation System (TOS) Projects 1-7 and 3-3 allocated to Caltrans in MTA's FY 1993-4 and 1997 Transportation Improvement Program (TIP) Call For Projects; and reprogram as indicated below:
 - \$4.1 million to the Route 405 Arbor Vitae Interchange (south half) which, along with recommendation C above, will fully fund the shortfall for this project;
 - \$1.3 million to the Route 10 High Occupancy Vehicle (HOV) lane from Route 57 to the San Bernardino County Line to fully fund the shortfall for this project;
 - \$1.5 million to Route 101 from Los Angeles to Center Streets Southbound Improvements to fully fund the shortfall for this project;
 - \$3.2 million to the Route 210 Soundwall project to make up for removing this project from the STIP;
- E. Reprogram the \$2.2 million remaining from the TOS projects 1-7 and 3-3 to a shorter, fully fundable segment of the TOS3-3 project, as determined by Caltrans; and

- F. Authorize staff to revise the MTA's 1998 STIP submittal for the Route 2 Roadway Reconfiguration Project (Santa Monica Boulevard Transit Parkway), if necessary to obtain California Transportation Commission (CTC) approval, such that the STIP will contain three fully funded components of the project.

28. **APPROVED ON CONSENT CALENDAR** actions concerning projects programmed in previous **Transportation Improvement Program (TIP)** Call for Projects:

- A. Recertify \$199.3 million in existing FY 1998-99 commitments from previous TIP Call for Projects and authorize the expenditure of funds to meet these commitments;
- B. Deobligate \$2.3 million of previously approved TIP Call for Projects funding;
- C. Authorize staff to reserve a total of \$5.6 million in Board-authorized deobligations, administrative deobligations and audited savings for reprogramming in the 1999 TIP Call for Projects;
- D. authorize \$12.9 million of Proposition C 25% funds, based on availability, to be expended in FY 1998-99 for projects, one year in advance of when they were programmed through the previous TIP Call for Projects process; and
- E. Authorize staff to administratively deobligate FY 1993-94 and FY 1994-95 TIP Call for Projects funding commitments, at staff's discretion, if projects are not proceeding as defined in MTA's Lapsing Policy.

29. **APPROVED ON A ROLL CALL VOTE**, authorized CEO to execute a Joint Powers Agreement with the Alameda Corridor Transportation Authority (ACTA) to **extend MTA's eminent domain authority to ACTA** for the purpose of purchase, lease, condemnation or any other appropriate means to acquire property to facilitate the construction and/or operation of the Alameda Corridor.

Ayes: Bernson, Cragin, Knabe, Fasana, Legaspi, Oropeza, Yaroslavsky, Zarian

Noes: Antonovich

Abstain: None

Absent: Alatorre, Burke, Molina, Riordan

32. **APPROVED ON CONSENT CALENDAR:**

- A. Issuance of a Notice to Proceed to the B630 Contractor Powell/TPS, Joint Venture, for the manufacture of the **transformer rectifier units** currently included in the base contract; and
- B. Initiation of Change Notice for additional switchgear and associated equipment to supplement the base contract.

33. **CARRIED OVER TO THE NEXT BOARD MEETING:**

- A. Revision No. 2 to Contract Work Order (CWO) No. 64 to Contract E0070 with Engineering Management Consultant (EMC) for **design support services during**

construction for the Vermont/Hollywood Corridor (Segment2), in the amount of \$3,440,000, increasing the total CWO value to \$6,436,533;

- B. Revision No. 2 to CWO No. 66 for Rail Activation/Start-up Services, in the amount of \$770,000, increasing the total CWO to \$1,418,272;
- C. Revision No. 3 to CWO No. 67 for Project Management, Project Administration and Project Control Services, in the amount of \$1,220,000 increasing the total CWO to \$2,180,623;
- D. an increase to the Contract Authorization for Expenditure in the amount of \$5,408,992 for a revised total AFE of \$101,201,130; and
- E. an increase in the Contract Budget and Project Budget in the amount of \$5,560,000.

35. ADOPTED position of "Neutral" on State Legislative Bill AB2189 (Cardenas) - Mandates the creation of a Transit Zone in the San Fernando Valley.

APPROVED DIRECTOR ANTONOVICH MOTION to agendaize at the June Board meeting a motion to support in concept the San Fernando Valley Transit Zone and to receive the consultant's report.

36. APPROVED AS AMENDED BY DIRECTOR BERNSON, ON A ROLL CALL VOTE, to **remove the word "INTERIM" from the organization title and authorize MTA's continued participation in the joint powers authority for one year, with a second year extension at the option of the member agency representatives that serve on the JPA:**

- A. RECEIVED AND FILED the Southern California Intercity Rail Group's draft "Analysis of the San Diegan Intercity Rail Corridor - SB 457 Study"; and
- B. AUTHORIZED MTA representatives on the ~~Interim~~ Joint Powers Board to encourage Caltrans to implement the study recommendation and seek a deferral of the transfer of Southern California Intercity Rail Corridor responsibilities from Caltrans to a Southern California Joint Powers Authority, at this time.

Roll Call Vote:

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

37. APPROVED ON CONSENT CALENDAR withholding any remaining payments to Neoplan Bus Manufacturing for any of the 300 buses in question until MTA and Neoplan have reached agreement on a comprehensive plan to repair all technical problems and on mitigation of damages.
38. APPROVED ON CONSENT CALENDAR ratification of the extension to Contract 6349 with Inter-Con Security Systems, Inc., for **security guard services at MTA operating divisions and**

properties for the period of performance from March 1, 1998 to May 31, 1998 at a cost not to exceed \$175,000.

39. RECEIVED AND FILED **Annual Activity Report**, January through December, 1997, from the Office of Inspector General.
40. RECEIVED AND FILED status report on corrective action plan to address recommendations and action items in the Inspector General's Management Report on **status of Internal Controls**.
41. APPROVED a Memorandum of Understanding with the California Transportation Commission regarding the **1998 County Transportation Improvement Program**.
42. RECEIVED update on status of **Kaiser Portal Agreement** for MOS2 Hollywood and APPROVED DIRECTOR YAROSLAVSKY MOTION ON A ROLL CALL VOTE, to amend the 1996 agreement with Kaiser:

Authorized the CEO to amend the Kaiser Entrance Agreement as follows:

1. Delete MTA's payment of \$493,000 for property preparation. This item will be covered by Kaiser;
2. Include Kaiser's contribution to the project in the amount of \$4,433,559;
3. Add a provision detailing the responsibility for overruns which provides:
 - a. The project budgeted contingency (\$827,777) will be used first for costs unrelated to contaminated materials. MTA will be responsible for overruns on those costs;
 - b. Any remaining contingency will be used for costs related to contaminated materials. If there are insufficient remaining contingency funds, MTA and Kaiser will pay contaminated materials overrun costs on a 50/50 basis;
 - c. In addition, Kaiser remains fully responsible for all costs related to lead, asbestos and underground facilities or structures containing hazardous substances;
4. If Kaiser sells its property within 30 years after the entrance is completed, MTA will receive an amortized return of its \$7.9 million investment; and
5. Kaiser must turn over easement areas by September 1, 1998 or pay the MTA \$7,500 per day to cover MTA's delay costs.

Roll Call vote:

Ayes: Bernson, Cragin, Fasana, Knabe, Legaspi, Oropeza, Yaroslavsky, Zarian

Noes: None

Abstain: Antonovich, Alatorre (Conflicts)

Absent: Burke, Molina, Riordan

43. FAILED TO PASS - State Legislative Bill SB 1847 (SCHIFF) - Mandates the creation of Joint Powers Authority for the construction of the Pasadena Metro Blue (B) Line.

DIRECTOR FASANA MOTION:

- A. The MTA Board reaffirm: 1) its commitment to complete the Pasadena Blue (B) Line under the existing alignment and design, and 2) the previously adopted priority ranking of rail construction projects, with the Pasadena Blue (B) Line the next priority after the completion of the Red (A) Line North Hollywood Corridor;
- B. The MTA support SB 1847 and direct staff to continue to work with the author to resolve all outstanding issues; and
- C. Staff work with the author to develop the common principles and guidelines, to include but not limited to rail, that will provide the framework for the JPA and the MOU between the members and report to the Board in 60 days on the outcome of this effort.

DIRECTOR BERNSON SUBSTITUTE MOTION - to strongly support the JPA but Oppose SB 1847 unless amended to deal with the remaining concerns of the MTA and continue to work with the author, **FAILED** on the following Roll Call vote:

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

DIRECTOR FASANA MOTION, AMENDED BY DIRECTOR ANTONOVICH, to support in concept SB 1847 and direct staff to continue to work with the author, **FAILED** on the following roll Call vote:

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

44. REFERRED TO EXECUTIVE MANAGEMENT COMMITTEE:

- A. approval of an amendment to the Los Angeles County Metropolitan Transportation Authority Non-Contract Employees Retirement Income Plan (Plan) to **reduce the minimum age for retirement from 55 to 50**;
- B. approval of a reduction in the age requirement for the **Sick Leave Conversion** benefit from 55 to 50 when an employee retires as follows:

<u>Age</u>	<u>Benefit</u>
55	75% (current
54	policy)
53	70% upon
52	retirement
51	65% upon
50	retirement
	60% upon
	retirement

55% upon
retirement
50% upon
retirement

Received public comment.

PREPARED BY: Rhodona Enright

Michele Jackson
Assistant Board Secretary

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