

LOS ANGELES METROPOLITAN TRANSIT AUTHORITY

Minutes of Regular Meeting of
the Members of the Authority

December 3, 1963

Upon notice duly given, the Members of the Los Angeles Metropolitan Transit Authority met at a regular meeting in the Authority Board Room, 1060 South Broadway, Los Angeles 15, California, at 10:30 a.m. on December 3, 1963, at which time the Chairman called the meeting to order.

Chairman A. J. Eyraud, Members Mark Boyar, Walter M. Briggs, Fred S. Dean, N. R. Dumont, Martin Pollard and Warden Woolard were present. Also present were Executive Director C. M. Gilliss; General Attorney Gerald G. Kelly; Acting General Manager M. Edwin Wright; Treasurer Walter J. Braunschweiger; Controller H. L. Black; Director of Public Relations R. O. Christiansen; Acting Chief Engineer D. D. Canning; Secretary Virginia L. Rees; and the public.

Report of Director of Public Relations

Mr. Christiansen presented the report of the Public Relations Department, a copy of which is on file with the Secretary.

Approval of Authorization for Expenditure No. 115

After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that Authorization for Expenditure No. 115, covering construction of new bus maintenance garage and operators' quarters with all necessary appurtenances on the Authority's Riverside property, to be designated as Division No. 13, at a cost not to exceed \$175,000.00, be and the same is hereby approved.

Approval of Requisition No. 3399-278

After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that Requisition No. 3399-278, covering the purchase of two (2) steam cleaning machines, at a cost not to exceed \$3,317.84, be and the same is hereby approved, without necessity of competitive bidding.

Approval of Requisition No. TD-781

After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that Requisition No. TD-781, covering the purchase of one Model 230 Varityper with justifier and 20" carriage, at an estimated cost, including trade-in allowance, not to exceed \$1,758.60, be and the same is hereby approved, without necessity of competitive bidding.

Amendment to License Agreement with Evadana C. Davis

After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the Executive Director be and he is hereby authorized to execute on behalf of the Authority an amendment to License Agreement dated September 15, 1963 with Evadana C. Davis, Licensee, covering the operation of a concession stand in the Authority's temporary depot located at 513-515 South Main Street, Los Angeles, to provide for a monthly rental equal to 7% of the gross revenue from all of Licensee's activities on the premises with a minimum rental of \$75.00 per month, effective as of November 1, 1963;

form of amendment subject to approval of the
General Attorney.

Changes of Bus Stop Zones

The Acting General Manager reported that for the purpose of more efficient operation and more convenience to the public, certain changes had been made in bus stops. After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the report dated November 25, 1963 relating to changes of bus stop zones, filed with the Secretary, be and the same is hereby ratified and approved.

Temporary Route Diversions

After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the temporary route diversions resulting from construction work affecting Lines 37, 61-B, 63 and 124-B, as described in report dated November 25, 1963 filed with the Secretary, be and the same are hereby ratified and approved.

Report of Purchasing Agent of Statement of Materials and Supplies Account

The Acting General Manager reported that pursuant to Section 8.6 E of the Rules and Regulations, the Purchasing Agent had submitted a Statement of Materials and Supplies Account for the month of October, 1963, a copy of which report is on file with the Secretary.

Report of Purchasing Committee

After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the Report of the Purchasing Committee of Authorizations for the period November 19, 1963 through December 2, 1963, as discussed at this meeting and attached to these minutes as Exhibit 1, be and the same is hereby ratified and approved, and the appropriate payments are hereby authorized.

Extension of Senior Citizens' Reduced Fare Plan

After discussion, upon motion duly made, seconded and unanimously carried, the following resolution was adopted:

WHEREAS, on June 19, 1962, the Authority adopted, under the heading "Alternate Senior Citizen Reduced Rate Fare Plan" a promotional trial program as set forth on Exhibit A to the Minutes; and

WHEREAS, on June 18, 1963, the Authority authorized the extension of the Senior Citizens' Reduced Rate Fare Program to December 31, 1963; and

WHEREAS, in view of the fact that the program does not entail a reduction in gross revenues from Senior Citizen riders, and the apparent stability of level of participation, it is recommended that the program be extended in its present form from January 1, 1964 until such time as the Authority further considers the matter;

NOW, THEREFORE, BE IT RESOLVED, that the Senior Citizens' Reduced Rate Fare Program be and the same is hereby extended from January 1, 1964 until such time as the Authority may order further consideration thereof.

Changes of Route Description - Line No. 37

After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the General Manager be and he is hereby authorized to make those changes in route on Line No. 37, as discussed at this meeting and as described in report dated November 25, 1963 filed with the Secretary, effective December 9, 1963, subject to the prior approval of the Consulting Engineer.

RESOLVED FURTHER, that the General Manager be and he is hereby authorized to make appropriate revisions in the Official Route Authorizations of the Authority as adopted on April 5, 1960 to reflect the above changes in route description.

Modification of Special Service Regulations and Establishment of Fare Limits - Line No. 37

After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the General Manager be and he is hereby authorized to make appropriate revisions in the Los Angeles Metropolitan Transit Authority Interurban Passenger Tariff No. 9 as adopted on March 30, 1962 to reflect the modification of Special Service Regulations and establishment of fare limits on Line No. 37, as discussed at this meeting and as described in report dated November 27, 1963 filed with the Secretary, effective December 9, 1963.

Changes of Route Description - Line Nos. 33 and 66

After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the General Manager be and he is hereby authorized to make those changes in route on Line Nos. 33 and 66, as described in report dated November 25, 1963 filed with the

Secretary, effective December 29, 1963, subject to the prior approval of the Consulting Engineer.

RESOLVED FURTHER, that the General Manager be and he is hereby authorized to make appropriate revisions in the Official Route Authorizations of the Authority as adopted on April 5, 1960 to reflect the above changes in route description.

Fire Insurance Policy Matter

Mr. Briggs, Chairman of Insurance Committee, reported receipt of a letter from General Appraisal Company dated November 13, 1963 relating to appraisal of certain assets of the Authority for fire insurance purposes. It was the recommendation of the Insurance Committee, concurred in by the Members that (i) the Purchasing Agent be authorized to call for bids based on an appraisal to be provided without cost to the Authority by the bidder for a renewal of the Authority's Fire, Lightning, Extended Coverage, Vandalism and Malicious Mischief, and Sprinkler Leakage Insurance policy, and the Purchasing Agent to report back to the Authority after receiving such bids for decision by the Authority on the awarding of the contract, and (ii) that the Authority staff be instructed to list shop equipment in descriptive inventories, showing plant equipment numbers and arrange for transferring information on major items to IBM property record cards and showing New Replacement Value and Depreciated Value for each major item or group of minor items.

Employment of Public Relations Counsel

Upon approval of the seven Members present, consideration of the temporary employment of a Public Relations

Counsel was added to the agenda, and, after discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the action of the Executive Director in employing a public relations counsel on a temporary basis, effective November 20, 1963, at a monthly fee of \$2,000.00, plus necessary incidental expenses, be and the same is hereby ratified and approved.

Resolution of City Council of City of Torrance

The Executive Director reported receipt of Resolution No. 63-295 adopted November 26, 1963 by the City Council of the City of Torrance, petitioning the Authority to invite proposals for private financing and construction of a mass transportation system.

Bill of Sale and Quitclaim Deed to City of Los Angeles

Mr. Kelly reported receipt from the City Clerk of the City of Los Angeles of a communication dated November 18, 1963, whereby the City Council accepted the Bill of Sale and Quitclaim Deed, each dated August 16, 1963, submitted by the Authority, which transferred ownership of abandoned rails, track structures and buried appurtenances from the Authority to the City of Los Angeles.

Transit Casualty Company - Letter Agreement

Upon approval of the seven Members present, consideration of a letter agreement with Transit Casualty Company was added to the agenda. Mr. Briggs presented a report, a copy of which is on file with the Secretary, relating to the Authority's Comprehensive General Liability Policy issued by Transit Casualty Company. Mr. Dumont, in commenting on the

report, commended the insurance committee for the renegotiated contract but made clear (i) that he felt Transit Casualty Company should have previously made such an offer to the Authority, and (ii) that he felt an even better contract could be negotiated in the future. After discussion, upon motion duly made, seconded and unanimously carried, the following resolution was adopted:

WHEREAS, the Authority's Comprehensive General Liability Policy issued by Transit Casualty Company does not expire by its terms until February 28, 1966; and

WHEREAS, the said policy contains a provision affording either party a right to cancel upon a pro-rata basis on or after September 1, 1963 upon at least 90 days' written notice; and

WHEREAS, the Authority's Insurance Committee has met with representatives of Transit Casualty Company to renegotiate the provisions of the said policy in the light of experience to date; and

WHEREAS, as a result of such renegotiations, Transit Casualty Company has, by letter dated November 29, 1963, offered to make the following changes in the Authority's said Comprehensive General Liability Policy, effective as of 12:01 a.m. January 1, 1964:

1. To provide for the determination of premiums on the basis of an annual fixed expense allowance of \$642,000 per year, subject to increase only upon the acquisition by the Authority of new properties or new operations, rather than on a 67.5% guaranteed loss ratio basis;
2. To reduce the maximum and minimum premiums from \$8.00 and \$4.00, respectively, per \$100 of gross passenger revenue, to \$7.00 and \$3.50, respectively, per \$100 of gross passenger revenue;

