

LOS ANGELES METROPOLITAN TRANSIT AUTHORITY

Minutes of Regular Meeting of
the Members of the Authority

June 2, 1959

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Upon notice duly given, the Members of the Los Angeles Metropolitan Transit Authority met at a regular meeting at the Authority Board Room, 1060 South Broadway, Los Angeles 15, California, at 3:30 p.m. on June 2, 1959, at which time the Pro-tem Chairman called the meeting to order.

Pro-tem Chairman Hayden P. Jones, Members Don Belding, Fred S. Dean, and Russell A. Quisenberry attended. Chairman Carl P. Miller and Members Clarence A. Winder and Arthur J. Will were absent. Also present were General Attorney Gerald G. Kelly; General Manager Cone T. Bass; Director of Business Development and Information Division James H. Raport; Treasurer Wm. W. Wakelee; Administrative Assistant Edwin T. Bowler; Ernest R. Gerlach of Coverdale & Colpitts, Consulting Engineers; Secretary Virginia L. Rees; Guy G. Gifford of the Business Development and Information Division; representatives of the press; and the public.

The minutes of the regular meeting held on May 26, 1959 were approved.

L. A. City Franchises - Recovery of Premium

The General Attorney reported that subsequent to March 3, 1958, the Authority under protest paid a premium on Franchise Bonds Nos. 4783095 and 4972046, which had been issued to the former Los Angeles Transit Lines and which was requested by the bonding company. Since the relevant franchises were cancelled as of March 3, 1958, and since the bonding company issuing such Bonds was exonerated as of the same date, it has been the General Attorney's opinion that no premium was due for any period subsequent to March 3, 1958. The General Attorney reported that he has concluded negotiations with Fidelity & Deposit Company of Maryland, and with Johnson & Higgins, insurance brokers, the interested parties, and that he has received the return of the total premium paid on the above-mentioned Bonds in the amount of \$2,618.97. The General Attorney further reported that he delivered this draft on June 2, 1959 to the Authority Treasurer-Controller. After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the General Attorney's report be accepted and filed and that Johnson & Higgins draft No. 1834 in the total amount of \$2,618.97 representing return of premium due for cancellation of Franchise Bonds Nos. 4783095 and 4972046 be deposited by the Treasurer-Controller with the Trustee for safekeeping to the credit of the Authority's Operation Fund Account.

Employment Contracts: C. M. Gilliss and Edwin T. Bowler

Motions to authorize the Executive Director to sign employment contracts on behalf of the Authority between the Authority and C. M. Gilliss and Edwin T. Bowler and appointment of C. M. Gilliss as Executive Director effective July 1, 1959 were made, seconded and failed to pass by the following vote: Messrs. Dean, Jones and Quisenberry voted "Aye." Mr. Belding voted "No." Mr. Belding explained that he had great regard and respect and confidence in the qualifications of Mr. Gilliss and Mr. Bowler and he was strongly in favor of their being appointed to their respective positions but that he had a basic objection to the policy of a public agency entering into long-term employment contracts.

Litigation - Disclaimer in Somers v. City of L.A.

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

WHEREAS, there is presently a condemnation action filed in the Los Angeles Superior Court numbered 717062 and titled "Andrietta Glassell Somers, William Micou Glassell, and California Bank v. City of Los Angeles, et al.;" and

WHEREAS, the Authority has no interest in the land which is the subject of said lawsuit;

NOW, THEREFORE, BE IT RESOLVED, that the General Attorney be and he is hereby authorized to enter a Disclaimer of Interest in the above-mentioned lawsuit.

Business Development and Information Division Report

Mr. Raport presented the report of the Business Development and Information Division. A copy of said report is on file in the office of the Secretary.

Encroachment Agreement among Authority, City of L.A. and P.E.

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 Encroachment Agreement with the City of Los Angeles relating to a proposed encroachment by the City of Los Angeles on a portion of property leased by the Authority from Pacific Electric Railway Company at Vineyard, said Encroachment Agreement to be subject to approval as to form by the General Attorney.

Temporary Reroutings

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

RESOLVED, that the temporary reroutings made necessary by construction work and as discussed at this meeting be and the same are hereby ratified and approved.

Report of Purchasing Committee

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

RESOLVED, that the Report of Purchasing Committee of Authorizations for period May 26, 1959 through June 1, 1959, as discussed at this meeting and as filed with the Secretary, be and the same is hereby ratified and approved and the appropriate payments are hereby authorized.

Approval of Work Orders

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

RESOLVED, that Work Order No. 1200, in the amount of \$78,000, covering necessary repairs to the bodies, upholstering, floors, radiators, motor mounts, flex lines, shock absorbers, painting of interior and exterior of thirty-nine Type 6900, Model TDH 4507 G.M.C. Diesel Coaches, Nos. 6951 through 6989, inclusive, so as to keep this group of coaches in operation for an additional three years' service, be and the same is hereby approved.

RESOLVED FURTHER, that Work Order No. 1201, in the amount of \$12,000, covering necessary alterations to coaches and purchasing and installing route boxes, side signs, changer boxes and modifications to the destination sign boxes of Type 6300 and 6600 Diesel Coaches operating out of Division 3, in order that said coaches will be able to operate over the Glendale Lines when the Glendale Division is closed and transferred to Division 3, be and the same is hereby approved.

RESOLVED FURTHER, that Work Order No. 1202, in the amount of \$3,060, covering manufacture of one hundred and two Route Sign Boxes complete with lettering and painting, be and the same is hereby approved.

Closing of Division 10 (Glendale)

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

RESOLVED, that the Glendale operating division, known as Division 10, be and the same is hereby closed effective June 22, 1959;

RESOLVED FURTHER, that operations out of that location be and they are hereby combined with other divisions, principally with Division 3 located at Avenue 28 and Idell;

RESOLVED FURTHER, that reroutings of equipment made necessary by this move be and the same are hereby approved.

Concession Stand Lease with Paul Sharf

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 as Lessor a concession stand lease with Paul Sharf of an area 20 feet by 25 feet on Authority property located at 10th Avenue and Jefferson Boulevard, term of lease to be five years at \$75 per month, subject to cancellation on 30 days' written notice upon abandonment of 10th Avenue rail loop, said lease to be subject to approval as to form by the General Attorney.

Agreement with Union Oil Company (Right of Way at Division 4)

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 a letter agreement with Union Oil Company of California to be signed jointly by Pacific Electric Railway Company and the Authority to afford the Union Oil Company permission to use the driveway which enters Division 4 from Pico Boulevard, said letter agreement to be subject to approval as to form by the General Attorney.

Expenditure re Merchants & Manufacturers Association

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

RESOLVED, that W. C. Scholl and C. A. Tengblad be and they are hereby authorized to attend meetings on June 9, 1959 and June 18, 1959 conducted by Merchants & Manufacturers Association concerning experiences under Fair Employment Practices acts in other states, and that an expenditure of \$20.00 for registration fees plus necessary expenses be and the same is hereby approved.

Expenditure re Commission on Employment and Retirement Problems of Older Workers

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

RESOLVED, that an expenditure for traveling and necessary expenses of Mr. R. F. MacNally in connection with meeting of Governor's Commission on Employment and Retirement Problems of Older Workers in Sacramento on June 3, 1959, be and the same is hereby approved.

Legislation - Charter Bus Bill

After discussion, upon motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED, that the resolution adopted by this Authority at its meeting on May 26, 1959, under the heading "Legislation - Charter Bus Bill," be and the same is hereby rescinded in its entirety;

WHEREAS, Assembly Bill No. 846 is pending in the 1959 Regular Session of the California Legislature; and

WHEREAS, this bill would prevent the Authority from conducting a charter service or a sightseeing service; and

WHEREAS, Members of the Assembly and the Senate have asked the Authority to state its policies in relation to these matters;

NOW THEREFORE, BE IT RESOLVED:

1. The Authority now conducts no sightseeing activities and intends to conduct no sightseeing activities, and has no objection if Assembly Bill No. 846 were amended to apply solely to sightseeing activities and were then passed by the California Legislature in such form that it would prohibit the Authority from engaging in sightseeing activities.

2. By "sightseeing activities," the Authority means the recognized sightseeing guided tour with a loudspeaker system wherein the public is transported on a per capita basis without concern for expeditious travel but with a primary concern with being informed about and seeing points of pleasure, culture and interest.

3. Each of the Authority's predecessors operated some charter services. The Authority now operates charter services and wishes to continue such charter services in competition with other charter companies. By conducting such charter services the Authority is able to make use of equipment which is required for the peak-load hours of 7:00 to 9:00 a.m. and 4:00 to 6:30 p.m. on weekdays, but which would otherwise be idle during off-peak hours. Accordingly, the vast majority of the Authority charters are operated during off-peak hours, since under normal circumstances only a very small number of buses, less than 1% of the buses operated by the Authority, could or would ever be available during the peak-load periods. Such minimum figure, of course, must necessarily fluctuate, depending upon the number of buses which are made unavailable by mechanical failure or accident. In any event the Authority will not purchase buses for the purpose of increasing its charter services. In continuing to conduct these charter services the Authority will refrain from engaging in any rate-

cutting practices. The Authority has not done so in the past and does not intend to do so in the future. Its charter service charges will not be less than the charter service charges of competing private companies where those charges are set by the public utility and transportation departments of the various cities in the Los Angeles Metropolitan Area.

4. By "charter service" the Authority means the furnishing of transportation service to the public over routes and at times not regularly scheduled pursuant to an agreement or contract for payment made upon a trip mileage, or unit basis, rather than upon a per capita basis.

5. This resolution shall be distributed to members of the California Legislature and to the charter and sightseeing companies in the Los Angeles Metropolitan Area.

Request of City of Lakewood for a Monorail System

The Executive Director reported that he had received a letter and a copy of a resolution from the City of Lakewood. The Secretary then read the letter and Resolution No. 883 entitled: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD URGING THE LOS ANGELES COUNTY BOARD OF SUPERVISORS AND THE METROPOLITAN TRANSIT AUTHORITY TO SUPPORT DEVELOPMENT OF A MONORAIL TRANSPORTATION SYSTEM BETWEEN LOS ANGELES AND THE LAKEWOOD-LONG BEACH AREA." After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the Secretary and Consulting Engineer be and they are hereby instructed to acknowledge receipt of Resolution No. 883 from the City Council of the City of Lakewood;

RESOLVED FURTHER, that said resolution be and the same is hereby referred to the Consulting Engineer for appropriate inclusion and consideration in its current study.

Next Meeting

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

RESOLVED, that the next regular meeting of the Authority be held at the Authority's Board Room at the Transit Authority Building, 1060 South Broadway, at 10:00 a.m. on June 16, 1959.

There being no further business before the meeting, it adjourned.

VIRGINIA L. REES

Secretary