

LOS ANGELES METROPOLITAN TRANSIT AUTHORITY

Minutes of Regular Meeting of
the Members of the Authority

March 6, 1958

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The members of the Los Angeles Metropolitan Transit Authority met at a regular meeting at the office of the Authority's General Attorney, Room 1213, 621 South Hope Street, Los Angeles, California, at 3:00 o'clock p.m. (P.S.T.) on March 6, 1958, at which time the Chairman called the meeting to order.

Chairman Hayden F. Jones, Members Don Selding, Fred Lean, Carl P. Miller, ~~Martin E. Pollard~~, and Clarence A. Under attended. Member Arthur J. Hill was absent. Also present were the General Attorney Gerald G. Kelly, of Musick, Peeler & Garrett and Roderick M. Hills of that firm, Executive Director Ralph P. ~~Herrick~~, Treasurer ~~George~~ ~~Welling~~ ~~Public~~ ~~Relations~~ Counsel James H. Raport, Charles E. Felt and D. C. Hasterday, Trust Officers of the Bank of America National Trust and Savings Association, Ernest Gerlach of Coverdale Colpitts, Consulting Engineer of the Authority, and representatives of the press.

The minutes of the adjourned regular meeting held on March 3, 1958, were approved.

Report of the Executive Director

Mr. Merritt announced notification of the appointment by Governor Goodwin J. Knight for terms of four years, commencing March 2, 1958, of the following Authority members:

- Don Selding
- Carl P. Miller
- Arthur J. Will
- Clarence A. Winder

Mr. Merritt then announced the receipt of a copy of a letter from Mr. Pollard to Governor Goodwin J. Knight tendering his resignation as a member of the Authority to be effective immediately. After discussion, on motion made, seconded and unanimously carried, the following resolutions were adopted:

WHEREAS, Martin Pollard was one of the original members of the Authority, was its Chairman for four years, and contributed greatly to the solutions of many difficult problems;

NOW THEREFORE, BE IT RESOLVED, that Martin Pollard's resignation be acknowledged with regret;

BE IT FURTHER RESOLVED, that in appreciation of Mr. Pollard's many faithful years of service as a member and as a Chairman of the Authority that the Secretary be and is hereby instructed to prepare and present to Mr. Pollard a proper scroll.

Mr. Merritt stated he had received a direct announcement from the office of Governor Knight that Russell A. Quisenberry, Publisher of the Valley Times and a Director of the Los Angeles Chamber of Commerce, has been appointed by the Governor to

succeed Mr. Pollard as a member of the Authority and that Mr. Wisenberry would assume office upon the conclusion of today's meeting. Mr. Jones, on behalf of the Authority, expressed pleasure at his acceptance of the appointment.

Organization Chart

Mr. Merritt then presented to the Authority a proposed Organization Chart. On motion duly made, seconded and unanimously carried, the proposed Organization Chart was adopted subject to two amendments. A copy of said Organization Chart, as amended at the meeting, is attached hereto as Exhibit 1.

Salary of Secretary of Executive Director

Upon motion duly made, seconded and unanimously carried, the salary of the Secretary to the Executive Director was fixed at \$425.00 per month, effective March 3, 1958.

Treasurer

Mr. Merritt reported that he has received the resignation of E. Leroy Tolles as Treasurer of the Authority, such resignation to be effective as of the close of business on March 5, 1958. Upon motion duly made, seconded and unanimously carried, Mr. Tolles' resignation was accepted. Upon further motion duly made, seconded and unanimously carried, it was

RESOLVED that the Secretary be and he is hereby instructed to cast a unanimous ballot for the appointment of Mr. Martin Pollard for the office of Treasurer of the Authority, Mr. Pollard to serve at the pleasure of the Authority.

RESOLVED FURTHER, that the General Attorney be and he hereby is instructed to obtain at the expense of the Authority a fidelity bond in the amount of \$100,000 covering Martin Pollard as Treasurer.

Authorized Signatures for Checks and Drafts

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

RESOLVED, that the Bank of America National Trust and Savings Association as a designated depository of this Authority be and it (including its correspondent banks) is hereby requested, authorized and directed to honor all checks, drafts or other orders for the payment of money drawn in the Authority's name on its accounts (including those drawn to the individual order of any person or persons whose names appear thereon as signers or signers thereof) when bearing the facsimile signatures of the following, as indicated:

<u>Signed by</u>	<u>Countersigned by any one of the following</u>
Martin Pollard, Treasurer	Hayden F. Jones, Chairman
S. Underwood, Assistant Treasurer	Don Balding, Assistant Chairman
T. V. Collins, Assistant Treasurer	Ralph P. Merritt, Executive Director
E. H. Uecker, Assistant Treasurer	
J. L. Pujol, Assistant Treasurer	

and the bank of America National Trust and Savings Association (including its correspondent banks) shall be entitled to honor and to charge the Authority for all such checks, drafts or other orders for the payment of money, regardless of by whom or by what means the

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actual facsimile signature or signatures thereon may have been affixed thereto, if such facsimile signature or signatures resemble the facsimile specimens from time to time filed with the Bank of America National Trust and Savings Association by the Secretary or other officer of the Authority. That all previous authorizations for the signing and honoring of checks, drafts or other orders for the payment of money drawn on the said Bank of America National Trust and Savings Association by the Authority are hereby continued in full force and effect as amplified hereby.

Authorization for Certificate of Authority of Officers

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

RESOLVED, that the Chairman and Secretary be and they are hereby authorized to execute a Certificate of Authority of Officers of the Bank of America National Trust and Savings Association; and that the officers named therein have been duly elected and are now qualified to sign as such officers on behalf of the Authority; and that the specimen signatures appearing opposite the names and titles on the Certificate of Authority of Officers are the genuine signatures of such officers and that the Bank of America National Trust and Savings Association, Corporate Trust Department, is authorized to recognize these signatures until written notice to the contrary is given to said Bank.

Secretary

RESOLVED, that Virginia Rees be and she hereby is appointed as Secretary of the Authority effective March 15, 1958 at a salary commensurate with her present salary, to serve at the pleasure of the Authority.

Offices of Authority

Mr. Merritt then recommended to the Authority that headquarters of the Authority be established, on or before

April 1, 1958, at 1060 South Broadway, with appropriate offices for the Executive Director and his staff, and office for the Consulting Engineer. Upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the headquarters of the Authority be moved to 1060 South Broadway and that an appropriation for the purpose of alterations sufficient to house the Executive Director and his staff and the Consulting Engineer, be and it is hereby approved in an amount not to exceed \$12,000, such work to be performed by persons in the employ of the Authority.

Approval of Coverdale & Colpitts' Statement

Upon motion duly made, seconded, and unanimously carried it was

RESOLVED, that the statement of Coverdale & Colpitts in the amount of \$911.43 for consulting services in connection with adjustments of contractual relations with Pacific Electric Railway Company, as previously authorized by Authority action, be and the same is hereby approved.

Labor Matters

Mr. Merritt reported on a letter which he had written on February 28, 1958 to the attorney for the Brotherhood of Railway Trainmen, which letter gave the BRT three assurances;

1. That the Authority will recognize and abide by the terms of the existing contractual relationships.

2. That the Authority will at all times abide by the law.

3. That if the Authority abandons the Bellflower Line it will abide by the Public Utilities Commission's order which relates solely and specifically to the rights of former Metropolitan Coach Lines' employees employed on the Bellflower Line. Mr. Merritt pointed out that counsel for the BRT had asked that he agree that this decision should apply to all MCL employees, but this the Executive Director refused to do.

Rules and Regulations

Mr. Merritt then requested an amendment to the Rules and Regulations. Upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the Rules and Regulations of the Authority are amended by deleting subsection (ii) of Section 5.3 and substituting therefor the following:

"(ii) to purchase supplies, equipment and services for the operation of the offices and business of the Authority. Any single expenditure exceeding \$1000.00, except for operational emergency requirements to be reported to the Authority at its next regular meeting, shall require the prior approval of the Authority or a properly authorized committee thereof. The aggregate of expenditures made by the Executive Director shall not exceed any budget adopted by the Authority without prior approval of the Authority."

Los Angeles Transportation Club

Upon motion duly made, seconded and unanimously carried it was

RESOLVED, that subject to approval of the General Attorney, two of the memberships in the Los Angeles Transportation Club be discontinued and that six of the memberships in said club be continued.

Advertising

Upon motion duly made, seconded and unanimously carried it was

RESOLVED, that it be the policy of the Authority to accept no advertising to be placed on or in the Authority's buses which is controversial or political in nature.

RESOLVED FURTHER, that the request for displaying advertising on the school bond issue be and the same is hereby rejected.

Public relations and bus Color and Insignia

Upon motion duly made, seconded and unanimously carried it was

RESOLVED, that a Committee consisting of Don Holding, as Chairman, and Carl P. Miller and Russell Quisenberry, be, and the same is hereby, appointed to report to the Authority at a subsequent meeting on the integration of the public relations groups presently servicing the Authority and to define the duties of the various firms and individuals involved.

RESOLVED FURTHER, that said Committee study and recommend to the Authority a color scheme and insignia for the Authority's buses.

Excise Tax Exemption Certificates

Upon motion made, seconded and unanimously carried, it was

RESOLVED, that W. T. Reynolds be and he is hereby appointed Purchasing Agent of the Authority, and that J. L. Smith, Dorothy E. Delp, R. W. Anderson, F. H. Markley and Roy Ewing be and they hereby are appointed Deputy Purchasing Agents of the Authority, and that Ralph P. Merritt, Executive Director, and said Purchasing Agent and Deputy Purchasing Agents be and they hereby are authorized to execute Federal Tax Exemption Certificates on behalf of the Authority.

RESCINDED BY
RESOLUTION
ADOPTED
APR. 21, 1959

Purchase of GMC Buses

Upon motion duly made, seconded and unanimously carried
it was

RESOLVED, that the resolutions adopted by this Authority on February 9, 1958 relating to the purchase of 110 buses from General Motors Corporation be and they are hereby rescinded, and

RESOLVED FURTHER, that Hayden F. Jones, Chairman of this Authority, and Ralph P. Merritt, Secretary of this Authority, be and they hereby are authorized to execute a purchase order with General Motors Corporation, GMC Truck and Coach Division, providing for the purchase of 110 buses by the Authority for delivery in March, 1958, but in all events as soon as possible after March 3, 1958. Said purchase order shall provide a substance for the purchase of 100 Model TDM-4801 forty-eight passenger city service motor coaches of substantially standard specifications for such model, and for the purchase of 10 Model TDM-4515 forty-five passenger suburban service motor coaches of substantially standard specifications for such model for a total purchase price of \$2,597,681.00, plus freight loading charges and sales or use taxes.

RESOLVED FURTHER, that the Chairman and Secretary be and they hereby are authorized to consent to such minor changes in specifications of said coaches as may be necessary to expedite delivery, and

RESOLVED FURTHER, that the Chairman and Secretary be and each of them is hereby authorized to execute

one or more conditional sales contracts or equipment trust agreements to finance said purchase on such terms and conditions as may be deemed most advantageous to the Authority, together with all such other documents as may be necessary or appropriate in connection with the financing of said purchase.

RESOLVED FURTHER, that said buses shall be transported to Los Angeles from Pontiac, Michigan, by rail and the Executive Director be and hereby is authorized to arrange for said transportation at usual rates.

Equipment Trust Agreement

Upon motion duly made, seconded and unanimously carried it was

WHEREAS, this Authority has ordered from General Motors Corporation the construction of 110 motor coaches to be sold to this Authority for a total purchase price of approximately \$2,597,081 and delivered during March and April 1958, and this Authority desires to finance the acquisition of said coaches by selling the same to the Los Angeles Main Office of Bank of America National Trust and Savings Association, as Trustee, for a total purchase price of approximately \$2,597,081 under an Equipment Trust Agreement, and by thereafter leasing said buses from said Trustee pursuant to said Agreement; and

WHEREAS, the San Francisco Main Office of Bank of America National Trust and Savings Association has offered to purchase \$2,208,000 aggregate principal amount of Equipment Trust Certificates to be issued pursuant to said Agreement, as hereinafter set forth, and the proceeds of sale of said Certificates (less accrued interest received on such sale) will be applied by said Trustee to payment of approximately 5% of the purchase price of said buses to be purchased by said Trustee

from this Authority and the balance of said purchase price in the amount of approximately \$389,681 will be paid by this Authority to said Trustee as Advance Rental pursuant to said Agreement;

NOW, THEREFORE, BE IT RESOLVED, by the Members of Los Angeles Metropolitan Transit Authority as follows:

1. That the Equipment Trust Agreement dated as of March 1, 1958 (hereinafter called the "Equipment Trust Agreement") between this Authority and Bank of America National Trust and Savings Association as Trustee (hereinafter called the "Trustee"), in the final form attached hereto and marked Exhibit 1a, be and the same is hereby approved.

2. That Hayden F. Jones, Chairman, and Ralph P. Merritt, Secretary, of this Authority, be and they are hereby authorized and directed to execute and acknowledge before a Notary Public eleven counterparts of the Equipment Trust Agreement on behalf of this Authority and to deliver the same to the Trustee for execution and acknowledgment.

3. That the Trustee be and it is hereby requested, upon completion of execution and acknowledgment of the Equipment Trust Agreement on behalf of this Authority and the Trustee, to cause the same to be recorded in the respective offices of the Secretary of State of the State of California and of the County Recorders of Los Angeles County, Orange County, Riverside County and San Bernardino County, respectively.

4. That Hayden F. Jones, Chairman of this Authority, and Leroy Tolles, Treasurer of this Authority, be and they are hereby authorized and directed to execute, by their facsimile signatures, a Guaranty, in the form set forth in the Equipment Trust Agreement, to be attached to the definitive trust certificates to be issued and sold by the Trustee pursuant to the Equipment Trust Agreement; and the Trustee is hereby requested to execute the definitive trust certificates and dividend warrants attached thereto, in the respective forms thereof set forth in the Equipment Trust Agreement, and to deliver \$2,208,000 principal amount of definitive equipment trust certificates, with appurtenant dividend warrants and guaranties of this Authority attached, all

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maturing and bearing dividends at the rate set forth in Article II of the Equipment Trust Agreement, to the purchaser thereof in exchange for and upon surrender of the temporary trust certificate hereinafter referred to.

5. That the form of temporary trust certificate, in bearer form without coupons, and the appurtenant guaranty, both attached hereto and marked Exhibit 2 be and the same are hereby approved; and Hayden F. Jones, Chairman of this Authority, and E. Leroy Tolles, Treasurer of this Authority, be and they are hereby authorized and directed to execute said guaranty by their manual signatures, and to deliver said temporary trust certificate, with guaranty attached, to the Trustee for execution by the Trustee of said temporary trust certificate; and the Trustee is hereby requested, pursuant to Section 2.08 of the Equipment Trust Agreement, to execute said temporary trust certificate and to register it in the name of the purchaser thereof and to deliver it to the purchaser of the trust certificates upon payment of the purchase price therefor as hereinafter provided and to deliver to said purchaser and to this Authority a signature certificate (with signature and no litigation certificate of this Authority attached), and receipt for purchase price relating to said temporary trust certificate.

6. That \$2,208,000 principal amount of equipment trust certificates are hereby authorized to be issued pursuant to the Equipment Trust Agreement, maturing and bearing dividends as set forth in Article II of the Equipment Trust Agreement, and are hereby sold to the San Francisco Main Office of Bank of America National Trust and Savings Association as purchaser at the principal amount thereof plus accrued dividends thereon to date of delivery to the purchaser; and the Trustee is hereby requested to register and deliver said temporary trust certificate with said guaranty of this Authority attached, to said purchaser, upon payment of said purchase price, and to deliver definitive trust certificates with appurtenant dividend warrants and guaranties, when available, in exchange for and upon surrender of said temporary trust certificate, without any charge to the holder thereof.

7. That Ralph P. Merritt, Secretary of this Authority, be and he is hereby authorized and directed to file

