

MINUTE RECORD OF LOS ANGELES METROPOLITAN TRANSIT AUTHORITY

MEETING HELD ON THE

Second

DAY OF

September

1952

STANDARD FORM C34 PRINTED IN U.S.A.

CHARLES R. HADLEY CO., PATHFINDERS, LOS ANGELES, SAN FRANCISCO, NEW YORK, CHICAGO

REG. U.S. PAT. OFF. STANDARD MINUTE RECORD

The regular monthly meeting of the above-named Authority was held at the office of the same in Room 810 at 433 South Spring Street, Los Angeles, California, on Tuesday, September 2, 1952.

The meeting was called to order at 3:15 P.M. by Chairman Pollard with all members present.

The minutes of the previous meeting of August 5 were read, corrected and approved as corrected.

The Secretary reported that, owing to illness and absences of several County officials no progress had been made regarding the methods of receiving and distributing funds to be allocated to the Authority by the Los Angeles County Board of Supervisors in its annual budget.

The policy of requesting the State Public Utilities Commission to hold hearings to determine the feasibility of the proposed Monorail rapid transit system in Southern California prior to the employment of engineering firms to make necessary studies for the same purpose was discussed. The matter was explained by the General Manager who stated that such prior hearings before the Public Utilities Commission, in which engineers from Reconstruction Finance Corporation would participate, would not be necessary at this time. However, the General Manager and Secretary were instructed to contact the Public Utilities Commission of the State to inquire regarding its attitude toward the Authority relative to hearings, and as to other matters that might be pertinent to the above subject.

Mr. McClellan presented a written statement embodying his understanding of the powers and duties of the Authority and the responsi-

bilities of its members, and his recommendations of certain subjects to be placed on the agenda for discussion at an early date, as follows:

1. Scope of our responsibility
2. Cooperation with Metropolitan Traffic and Transit Committee of the Los Angeles Chamber of Commerce
3. Study of available engineering data on Monorail
4. Study of economic factors
5. Consideration of long-range financing

The General Manager then presented a written statement recommending that "the Authority shall extend to certain organizations and agencies invitations to participate as members of a proposed Los Angeles Metropolitan Transit Advisory Committee . . . . that initial membership of that Committee be confined to State and County agencies, the three Chambers of Commerce that nominated the members of the Authority, and the Authority members". That representatives of the following should constitute the initial committee:

1. State Highway Commission
2. State Public Utility Commission
3. Los Angeles County Planning Commission
4. Los Angeles Metropolitan Traffic Association and Metropolitan Transportation Engineering Board
5. Los Angeles Chamber of Commerce
6. Long Beach Chamber of Commerce
7. San Fernando Valley General Committee, Inc.
8. Institute of Traffic Engineering of the University of California

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Further, pursuant to satisfactory action being taken by said Committee at its early meetings, that the General Manager be authorized to enlarge the Committee by invitations to other interested agencies to become members.

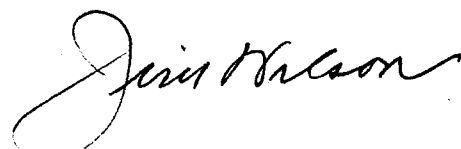
The second recommendation of the General Manager was that he be authorized to present to the Board of Supervisors of Los Angeles County "revised plans of financial assistance to the Authority for the current year".

Both of these reports were discussed but no action taken regarding them. By motion duly made, seconded and carried, the statements of Mr. McClellan and of the General Manager were included in and made a part of these minutes.

The Attorney was requested to render an opinion as to whether it will be legally possible for the Authority to act as agent for the County of Los Angeles in making, or directing the making, traffic and/or engineering surveys in the County outside the area set up in Assembly Bill 3112, the Act establishing and defining the duties of the Authority.

The Secretary was authorized to provide Mr. Martin Pollard and Mr. Stephen Wells with letters of introduction and recommendation to certain governmental agencies, business interests, and others with whom they desired to obtain interviews regarding traffic and transit conditions in certain cities in Great Britain and Continental Europe which they were about to visit on behalf of the Authority.

There being no further business, the meeting adjourned at 5:10 P.M.



GENTLEMEN:

IN THE MONTHS THAT HAVE PASSED SINCE OUR TRANSIT AUTHORITY WAS APPOINTED ON MARCH 3, 1952, I HAVE MADE NUMEROUS RECOMMENDATIONS DURING REGULAR MEETINGS WHICH I THOUGHT WOULD BE HELPFUL IN SOLVING THE PROBLEMS OF MASS TRANSPORTATION IN OUR COMMUNITY. SOME OF THESE SUGGESTIONS HAVE RECEIVED FAVORABLE CONSIDERATION, OTHERS HAVE NOT. FOR SOME REASON HOWEVER, THE IMPRESSION HAS BEEN GAINED IN SOME QUARTERS THAT I AM OPPOSED TO MONORAIL AND DISPOSED TO DO ALL I CAN TO OBSTRUCT ITS DEVELOPMENT. THIS IS NOT A TRUE REFLECTION OF OPINIONS I HAVE EXPRESSED IN DISCUSSIONS AT OUR MEETINGS, NOR IS IT MY POSITION. INASMUCH AS THE MINUTES OF OUR MEETINGS UP TO THIS TIME HAVE NECESSARILY BEEN SKETCHY, THERE BEING NO FUNDS AVAILABLE FOR THE EMPLOYMENT OF A FULL TIME SECRETARY, A COMPLETE RECORD OF OUR DISCUSSIONS HAS NOT BEEN MADE. I THEREFORE BELIEVE IT TO BE APPROPRIATE FOR ME TO SUBMIT HEREWITH A CLEAR STATEMENT OF MY ATTITUDE TOWARD MONORAIL TOGETHER WITH A FEW SUGGESTIONS WHICH I BELIEVE SHOULD BE CONSIDERED BY OUR AUTHORITY.

PERHAPS I SHOULD SAY AT THE BEGINNING THAT I TAKE MY RESPONSIBILITIES AS A MEMBER OF THIS AUTHORITY VERY SERIOUSLY. I AM CERTAIN THAT ALL MEMBERS FEEL AS I DO, THAT THE ACTIONS TAKEN IN CONNECTION WITH OUR ASSIGNMENT CAN BE OF MAJOR IMPORTANCE TO THE FUTURE OF METROPOLITAN LOS ANGELES AND TO ALL THE CITIZENS WHO LIVE HERE.

I AM IN FULL AGREEMENT WITH THE CONCLUSIONS REACHED BY DR. RALPH MERRITT AND THE OTHER AUTHORITIES QUOTED IN THE DOCUMENTS SUBMITTED TO US TO THE EFFECT THAT:

1. THERE IS NO ADEQUATE SYSTEM OF RAPID TRANSIT AVAILABLE TO THE CITIZENS OF METROPOLITAN LOS ANGELES.
2. THE TREMENDOUS DAILY MOVEMENT OF PEOPLE BY PRIVATE AUTOMOBILE IN METROPOLITAN LOS ANGELES HAS BECOME EXCESSIVELY COSTLY TO ALL CONCERNED AND HAS CREATED A HAZARD TO LIFE AND PROPERTY.
3. A RAPID TRANSIT SYSTEM IS ESSENTIAL TO OUR FUTURE DEVELOPMENT.
4. AMONG THE SEVERAL SYSTEMS ADVOCATED FOR SOLVING OUR RAPID TRANSIT PROBLEM THE ONE FURTHER ADVANCED IN TERMS OF PUBLIC INTEREST AND PROBABLE UTILITY, AT LEAST FOR A BEGINNING, IS THE MONORAIL SYSTEM.

IT IS MY OPINION THAT ALL MEMBERS OF OUR AUTHORITY ARE IN AGREEMENT ON THE ABOVE CONCLUSIONS. THERE ARE SOME POINTS HOWEVER, ON WHICH I BELIEVE THERE MAY BE DIS-AGREEMENT AND UPON WHICH OUR POSITION SHOULD BE CLARIFIED.

ACCORDING TO THE INFORMATION WHICH HAS BEEN SUPPLIED US AS MEMBERS OF THE AUTHORITY, THE REPRESENTATIVES OF SOUTHERN CALIFORNIA MONORAIL & TRANSIT SYSTEM, INC., WHO WERE RESPONSIBLE FOR DRAFTING AND PRESENTING ASSEMBLY BILL #3112, HAD IN MIND A CLEAR-CUT OBJECTIVE. THEY WANTED AN AUTHORITY ESTABLISHED WHICH WOULD BE IN POSITION TO SERVE THE ENTIRE LOS ANGELES COUNTY IN SOLVING ITS PROBLEMS OF MASS TRANSPORTATION, WITHOUT RESTRICTION UPON THE TYPE OF EQUIPMENT. THIS FACT IS REFLECTED BY THE STATEMENT APPEARING ON PAGE 12 OF THE MERRITT REPORT WHICH WAS PRESENTED TO US ON TUESDAY, MARCH 25TH, AT THE JONATHAN CLUB WHICH READS AS FOLLOWS:

"THE ACT AS IT WAS ORIGINALLY DRAWN CONFORMED TO THE PRINCIPLES OF OTHER SUCCESSFUL AUTHORITY LEGISLATION, FOLLOWING A PLAN BY WHICH THERE WOULD BE A SEVEN MAN SELF-PERPETUATING BOARD, APPOINTED BY THE GOVERNOR. THE SEVEN MEMBERS OF THE AUTHORITY WOULD HAVE THE RIGHT OF ISSUANCE OF REVENUE BONDS FOR THE CONSTRUCTION OF TRANSIT SYSTEMS OR THE PURCHASE OF ANY TRANSIT SYSTEMS IN LOS ANGELES COUNTY. THE AUTHORITY WOULD HAVE NO POWER OF TAXATION OF PRIVATE PROPERTY. THE AUTHORITY WOULD HAVE THE RIGHT TO OPERATE OR COORDINATE ALL TYPES OF PUBLIC TRANSPORTATION IN LOS ANGELES COUNTY, URBAN OR INTER-URBAN, STREETCARS, BUSES, MONORAILS, SUBWAYS, OR ANYTHING ELSE. THAT IS A NECESSARY PART OF ANY PROGRAM THAT WILL GIVE IN THE LAST ANALYSIS, MAXIMUM SERVICE TO A COUNTY LIKE THIS. THE ACT DID NOT GIVE THE RIGHT OF CONDEMNATION OF PUBLIC TRANSIT SYSTEMS EXCEPT ON MUTUAL AGREEMENT TO SUCH LEGAL ACTION".

DR. MERRITT EXPLAINED INCIDENTALLY, THAT CERTAIN LOBBYISTS WHOSE INTERESTS WERE DIFFERENT FROM HIS OR THE OTHERS CONNECTED WITH MONORAIL, WERE RESPONSIBLE FOR CHANGING THE BILL INTO ITS PRESENT FORM, WHICH IS MUCH MORE LIMITED IN SCOPE.

I BELIEVE OUR AUTHORITY SHOULD ESTABLISH IN THE RECORD AS A MATTER OF POLICY WHETHER OR NOT IT ACCEPTS THE RESPONSIBILITY FOR SERVING THE METROPOLITAN LOS ANGELES COMMUNITY AS A WHOLE OR FEELS IT SHOULD SERVE ONLY THE AREA DESCRIBED BY THE BOUNDARIES LISTED IN THE ACT. THE TITLE, "METROPOLITAN LOS ANGELES TRANSIT AUTHORITY", IMPLIES THAT THE BROADER RESPONSIBILITIES ARE INTENDED; THE SPECIFIC ASSIGNMENT HOWEVER,

I BELIEVE THAT A DECISION ON THIS QUESTION IS IMPORTANT BECAUSE IT WILL HAVE STRONG BEARING ON THE APPROACH WE MAKE TO THE JOB AT HAND. I FIND NO RECORD IN THE MINUTES OF OUR HAVING MADE A DECISION ON THIS POINT.

IF OUR OBJECTIVE IS, AS I BELIEVE IT SHOULD BE, TO SERVE THE METROPOLITAN LOS ANGELES COMMUNITY AS A WHOLE IT WOULD SEEM LOGICAL TO GIVE PRIMARY CONSIDERATION TO THE OVERALL PLAN OF TRANSPORTATION BEFORE ANY ONE UNIT IS BUILT. IT MAY WELL BE THAT WE ARE THINKING IN TERMS OF AN INTEGRATED SYSTEM OF WHICH THE PROPOSED MONORAIL INSTALLATION WOULD BE A PROPER PART. I FIND NO RECORD HOWEVER, OF OUR HAVING DETERMINED THAT THIS IS THE CASE; NOR DO I SEE HOW WE COULD REACH SUCH A CONCLUSION WITHOUT FIRST CONSIDERING THE OVERALL PROBLEM. THIS WE HAVE NOT DONE.

AT ONE OR MORE OF OUR MEETINGS I HAVE URGED THAT CONSIDERATION BE GIVEN TO OFFERING FULL COOPERATION WITH THE METROPOLITAN TRAFFIC & TRANSIT COMMITTEE OF LOS ANGELES IN AN EFFORT TO ESTABLISH SOME INTEGRATED, OVERALL RAPID TRANSIT PROGRAM. THIS RECOMMENDATION WAS ~~MADE~~ BECAUSE OF THE FACT THAT THE COMMITTEE IS AN ACTIVE, INFLUENTIAL GROUP OF HIGH STANDING. IT INCLUDES REPRESENTATIVES FROM THE CHAMBERS OF COMMERCE THROUGHOUT THE COUNTY, TRANSPORTATION EXPERTS FROM PRIVATE INDUSTRY, QUALIFIED MEN FROM PUBLIC UTILITIES, STATE AND LOCAL OFFICIALS REPRESENTING GOVERNMENT REGULATORY BUREAUS, REPRESENTATIVES FROM THE HIGHWAY COMMISSION, AND OTHERS. IF IT IS OUR CONCLUSION THAT WE ARE TO SERVE THE ENTIRE LOS ANGELES AREA IT WOULD SEEM MOST APPROPRIATE TO COOPERATE WITH THE METROPOLITAN TRAFFIC & TRANSIT COMMITTEE. I SHOULD LIKE TO SEE A DECISION CLEARLY MADE AND RECORDED ON THIS PROPOSAL.

ACCORDING TO THE INFORMATION THAT HAS BEEN SUPPLIED US CONCERNING THE MONORAIL PROJECT UNDER CONSIDERATION, THE INITIAL COST OF INSTALLATION WOULD BE ~~SOMEWHERE~~ IN THE NEIGHBORHOOD OF 80 OR 90 MILLION DOLLARS. ALSO ACCORDING TO THE INFORMATION SUPPLIED US, THE AREA TO BE SERVED BY THE INITIAL MONORAIL PROJECT CONTAINS 2 MILLION PEOPLE AND APPROXIMATELY 75% OF OUR INDUSTRIAL CAPACITY. THIS IS A BIG PROJECT INVOLVING THE WELFARE OF MANY PEOPLE. EVEN ~~80~~ MILLION DOLLARS IS A LOT OF MONEY. IF WE EXPECT TO SPEND IT, BEING MINDFUL OF THE FACT THAT IT IS PUBLIC MONEY ~~WE WOULD USE~~ I BELIEVE THAT WE SHOULD TAKE EVEN GREATER PRECAUTIONS TO SAFEGUARD THE INVESTMENT THAN WE WOULD TAKE IN INVESTING OUR OWN FUNDS IN A BUSINESS ENTERPRISE.

WHILE WE HAVE HAD EXCELLENT REPORTS PREDICTING OPTIMISTIC RESULTS BOTH AS TO ENGINEERING FEASIBILITY AND AS TO THE PROSPECTS FOR ECONOMIC SUCCESS OF THE PROJECT,

BEEN PREPARED BY COMPETENT ENGINEERS WHICH MIGHT SERVE TO INFORM US ON THIS POINT. I BELIEVE WE ARE REMISS IN OUR RESPONSIBILITIES IF WE DO NOT GIVE SPECIFIC ATTENTION TO SUCH ENGINEERING REPORTS AS ARE AVAILABLE AND CHECK THEM CAREFULLY TO SUPPORT OUR JUDGMENT. FURTHERMORE I BELIEVE, AND HAVE SO STATED ON SEVERAL OCCASIONS AT PREVIOUS MEETINGS, THAT SOME BASIC STUDY OF THE ECONOMIC FACTORS BEARING UPON THE SUCCESS OR FAILURE OF THE CONTEMPLATED MONORAIL OPERATION SHOULD BE MADE AT THE EARLIEST POSSIBLE MOMENT.

WHATEVER PLANS WE MAY HAVE FOR FINANCING AND OPERATING A MONORAIL SYSTEM, IT SEEMS ESSENTIAL THAT WE KNOW, PRIOR TO PLUNGING INTO SUCH AN IMPORTANT INVESTMENT OR FINANCIAL COMMITMENT, WHAT HOPE THERE IS THAT THE SYSTEM WILL OPERATE AT A PROFIT. THE EXPERIENCE OF PUBLIC PASSENGER CARRIERS HAS BEEN EXTREMELY BAD FROM AN ECONOMIC STAND-POINT DURING RECENT YEARS. IT IS OBVIOUS THAT THE UNDERWRITING OF LONG RANGE FINANCING OF ANY METROPOLITAN LOS ANGELES TRANSIT SYSTEM WILL PRESENT SERIOUS PROBLEMS, ESPECIALLY IF THE OPERATING LINES ARE NOT PROFITABLE. INASMUCH AS THERE ARE NUMEROUS METHODS PRESENTLY EMPLOYED FOR FINANCING SUCH OPERATIONS, I THINK WE SHOULD GIVE THIS SUBJECT CAREFUL STUDY PRIOR TO FINANCING AND LAUNCHING OUR FIRST MAJOR PROJECT. A BAD FINANCING PLAN ESTABLISHED NOW, EVEN FOR A GOOD TRANSIT SYSTEM, MIGHT LATER GREATLY HINDER US IN EXPANDING THE TRANSPORTATION FACILITIES. WHILE I THINK IT IS QUITE APPROPRIATE THAT WE MAKE SUITABLE PRELIMINARY INQUIRIES AT PROPER SOURCES OF FINANCING, I SUGGEST THAT WE CONSIDER FUNDING PLANS NOW, BEYOND THE FIRST LUMP SUM TO BE MADE AVAILABLE TO US, IN THE INTEREST OF LONG RANGE FINANCING.

IN ORDER THAT WE MAY GIVE THESE MATTERS THE PROMPT ATTENTION WHICH I BELIEVE THEY DESERVE I URGENTLY REQUEST THAT THE FOLLOWING ITEMS BE PLACED ON THE AGENDA FOR OUR EARLY CONSIDERATION.

1. SCOPE OF OUR RESPONSIBILITY: DO WE INCLUDE METROPOLITAN LOS ANGELES AND LOS ANGELES COUNTY OR MERELY THAT LIMITED AREA DESCRIBED IN THE BILL?
2. COOPERATION WITH THE METROPOLITAN TRAFFIC & TRANSIT COMMITTEE OF LOS ANGELES.
3. THE STUDY OF AVAILABLE ENGINEERING DATA ON MONORAIL.
4. A STUDY OF ECONOMIC FACTORS.
5. CONSIDERATION OF LONG RANGE FINANCING.