

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

Minutes of Special Meeting of
the Board of Directors of the District

April 11, 1973

Upon notice duly given, the Directors of the Southern California Rapid Transit District met at a Special Meeting in the El Dorado Room of the Music Center, First Street and Grand Avenue, Los Angeles, California at 3:30 p.m. on April 11, 1973, for the purpose of presenting a progress report on the District's Rapid Transit Corridor Analysis and current bus system operations to representatives of governmental agencies and other interested groups.

President Topping called the meeting to order at 3:45 p.m. and the following Directors were in attendance:

Arthur Baldonado	Thomas G. Neusom
Adelina Gregory	Jay B. Price
Herbert H. Krauch	Norman Topping
Don C. McMillan	

Also present were General Manager Jack R. Gilstrap; Manager of Operations George W. Heinle; General Counsel Richard T. Powers; Manager of Planning & Marketing George L. McDonald; Controller-Treasurer-Auditor Joe B. Scatchard; Chief Engineer Richard Gallagher; District Consultant George F. Goshler;

Secretary Richard K. Kissick; Recording Secretaries Helen M. Bolen and Betty Miley; representatives from the Los Angeles County Board of Supervisors, Los Angeles City Council, Los Angeles County Division of the League of California Cities, Transportation Task Force of the California League of California Cities, Transportation Committee of the Southern California Association of Governments, municipalities within Los Angeles County; and the public. A copy of the attendance list is attached to these Minutes as Exhibit 1.

President Topping welcomed those in attendance and turned the Meeting over to General Manager Jack R. Gilstrap.

General Manager Jack R. Gilstrap gave a brief address of welcome and stated that the purpose of this meeting was to hear progress reports by Southern California Rapid Transit District consultants on mass rapid transit planning and current bus operations in the Los Angeles area. Mr. Gilstrap then introduced Mr. Donald Brackenbush, Senior Associate of Wallace, McHarg, Roberts & Todd.

Current Status-Transit Corridor Analysis
- Wallace, McHarg, Roberts & Todd

Mr. Brackenbush gave a brief explanation of the consultant role that his firm is providing the District and explained that some of the problems facing the District now were not in existence in 1968, such as the need for environmental impact studies. The firms of Wallace, McHarg, Roberts & Todd/Kennard & Silvers, as joint consultants, have conducted studies on environmental

planning, residential planning and socio-economic planning for the District.

Mr. Brackenbush presented graphs showing the various corridors that were determined up to this point in the study and their priority according to various factors. He also presented statistics showing the population density 1970 vs. 1990, employment density, center concentration development, regional public facilities, unemployment, low income area, percentage of population 65+ and -20 by area, and areas with no automobile available.

An overlay of several of these factors indicate a need for mass transit. These are areas to the west of downtown, a large area to the south through Watts and Compton, the Harbor area and East Los Angeles. His firm is concerned with four factors: 1) travel, 2) population/employment density, 3) transit dependency, and 4) engineering system. There are seventeen possible corridors, and eight appear to be the best ones. They are: San Fernando Valley, Wilshire, Airport, south to the Harbor, Santa Ana, San Gabriel Valley, and Slauson and Pasadena. The last two are included because they could be included in freeway extensions. These corridors are not mentioned in any order of importance.

The task remaining for Wallace, McHarg, Roberts & Todd is to go into the corridors and identify alignments within the corridor and pick the hardware. Mr. Brackenbush's presentation was completed at 4:15 p.m.

Mr. Gilstrap introduced Mr. Herman Zelles, Vice-President of Stone & Youngberg, Municipal Financing Consultants.

Transit Funding
- Stone & Youngberg

Mr. Zelles gave a brief history of the District, explaining the responsibilities of the District Act and some of the problems involved in financing. He told of the deficit in operations commencing in 1969 and the emergency aid the Legislature provided by passing AB-2136 which permitted the 1/2 of 1% sales tax funds for six months. This provided money for operating for two to two and one-half years. SB-325 extended the sales tax to gasoline and created the Transportation Fund for counties for transportation projects. The District expects to receive \$31 million from SB 325 during the current fiscal year. There was hope SB 325 would provide money for both operations and rapid transit. However, it was found that operating revenue was \$51.8 million and operating expense \$78 million. When the \$31 million from SB 325 is applied toward the \$26 million deficit, the money available for capital projects is only \$5 million.

The proposed rapid transit program is a multi-billion dollar project, estimated at \$3 billion to \$5 billion, depending upon the number of corridors selected. Massive assistance from both local and federal sources will be required.

On a national picture, there are a number of transit projects which rely on federal money to participate in capital costs. President Nixon's recommendation to Congress is to increase the

program of federal aid from \$3.1 billion through 1975 to \$6.2 billion and to open the Highway Trust Fund to provide aid to mass transit.

Since 1964, when the program started, through December 1972, UMTA approved capital financing of \$1.8 billion.

There are several other large transit projects under way which rely on UMTA money to help finance them. Some are:

Baltimore Mass Transit Administration, a state agency in Maryland, is a \$1 billion project for the Greater Baltimore area and expects to receive 2/3 money from UMTA, local share financed by 2% gasoline tax imposed statewide.

Metropolitan Atlanta Rapid Transit Authority, a \$1.4 billion project, also expects 2/3 funding. A 1% sales tax was imposed in November, 1972, to provide local funds. This sales tax will last for 50 years, decreasing from 1% to 1/2% after ten years.

Bay Area Rapid Transit District (BART). Up to 1971 BART actually received very little federal aid. The project cost is now estimated at \$1.4 or \$1.5 billion. General obligation bonds of \$792 million were issued in 1960; in 1970, the State authorized the imposition of a 1/2 of 1% sales tax in three counties from which they received \$150 million; Toll Bridge Authority contributed \$180 million to build the tube and approaches; federal assistance did not come until the sales tax in 1970 and BART received \$326 million from UMTA. The cost to the people in the area is a sales tax of 1/2 of 1% and a property tax for general obligation bonds

(Alameda County rate 58.7 per hundred, Contra Costa County 61.4 per hundred, City and County of San Francisco 64.1 per hundred); included is a 5¢ tax the enabling Act allows for general administrative purposes.

Metropolitan Dade County, Florida expects 2/3 federal money, 1/2 of the local share paid by the State of Florida through gas tax and 1/2 by a county-wide general obligation bond issue.

SCRTD has a number of funding resources. It has the power to issue general obligation bonds with a statutory debt limit of 15% assessed valuation (estimated bond capacity of \$3 billion). Legislation provided the imposition of a sales tax of either 1/4% or 1/2%. RTD has the power to levy a property tax and issue revenue bonds. Operating Funds are also a revenue source. However, all funding sources, with the exception of revenue bonds and fare box, require a 60% vote of the electorate.

The sales tax alone of up to 1/2 of 1% is considered ample to take care of capital costs of the project without any new source of funds. However, there are other possible sources of income, such as a tax on gasoline, property taxes, taxes on cigarettes, etc. Three important items must be considered with regard to the source: (1) must be reliable and in sufficient amount; (2) must be easy to administer; and (3) must be in existence for a long time. Financing will require legislative action on both the local and state levels.

Among questions asked were:

- Q. How can the District get rid of debt from MTA and Bank of America?
- A. \$23 million outstanding on trust indenture. Simplest way is to deposit \$23 million. Bonds are subject to call now.
- Q. Were you asked to recommend sources of funds to finance all or a portion of this project on a cash or increment basis?
- A. Yes. A good deal of this project can be paid for on a pay as you go basis. With a cash flow situation, the money that does come in can be used with federal matching funds.
- Q. If you plan this as a bond issue, would it also involve a sales tax?
- A. Proposal in 1968 was a general obligation bond issue of \$2.5 billion, and the imposition of a sales tax would have been used to support these bonds. Today it could be, but doesn't have to be.
- Q. Aren't cash flow funds needed for construction?
- A. Fortunately, there is a good deal of lead time. Construction costs come in later than the cash flow.

Mr. Zelles' presentation was completed at 4:39 p.m.

Mr. Gilstrap then introduced Mr. Dave Miller, Principal of Daniel, Mann, Johnson and Mendenhall.

Requirements for Federal Grants

- Daniel, Mann, Johnson and Mendenhall

Mr. Miller's presentation dealt with how the District will make the transition from planning to construction, and he told of some of the requirements for eligibility for capital grant assistance from UMTA. The total possibility of funding from federal sources is two-thirds of total cost. RTD's proposed project is estimated to cost between \$3 billion and \$5 billion, depending on number of corridors. Local share of this project would be \$1 to \$1-1/2 billion.

Federal funds can be obtained to build new systems or update existing systems. A capital grant application must have two basic ingredients: 1) a sufficiency of local funds, and 2) a basic procedure of rules and regulations.

The applicant must be a public agency to qualify for the two-thirds capital grant formula and must be a part of a comprehensive transportation program. Being part of a unified or coordinated transportation plan means that rapid transit cannot be separated from the bus system.

Some of the factors Mr. Miller mentioned necessary to qualify, apply and secure a federal grant are as follows:

Preliminary engineering must be done; specifically, the overall cost and cash flow by years. There must be a description of benefits and impact. The application must have a key statement of impact on unions. 13(c) agreements must be signed off by the unions and the Secretary of Labor. There must be approval by the designated clearing house (SCAG and the State) of the impact on the community. There must be public hearings on alternatives, environment, etc. Consideration must be given to relocation of affected residences and businesses. There must be a civil rights agreement. The plan must provide service to the elderly and handicapped. Political and community support are essential.

Application for federal grants can be made in increments. UMTA reviews application and evaluates it according to a set of guidelines. UMTA is looking for projects that have a significant impact on the community and upon national mass transit. System

can demonstrate new technical knowledge, can show cooperative nature of comprehensive transit planning, etc.

RTD has applied for five capital grants totaling \$40 million. When all information is furnished as required, it usually takes two to three months for a grant to be approved.

The following questions were asked of Mr. Miller.

- Q. What is the difference between the \$3 billion and the \$5 billion system.
- A. Depends on the number of corridors. That decision will probably be made by June.
- Q. How many miles in the \$3 billion system?
- A. (Answered by Mr. Gilstrap) 135 miles on total 8 corridor system. \$3 billion is not practical.
- Q. When are you going to decide on extra \$2 billion and what will it do?
- A. This is what we are working on now and will decide in July.
- Q. If all these steps outlined went smoothly, including financing, how long do you estimate a federal grant would take to be approved?
- A. The federal steps themselves depend on the application presented. Two to three months more or less for most grants, and six months to process a grant of large magnitude. This doesn't include the local steps necessary.

Mr. Miller's presentation was concluded at 4:55 p.m. and Mr. Gilstrap then introduced Mr. Ernest Gerlach, Vice-President of Coverdale & Colpitts.

National Transit Picture-Operating Costs, Labor, Subsidy Requirements
- Coverdale & Colpitts

Rapid transit dominates the national scene for a number of reasons, including the large dollar amounts involved, time

required, many new schemes, the interest on the impact on the community, etc. The federal aid program must stay large enough to take care of planned transit needs.

For over 50 years, four metropolitan areas have had rapid transit - New York, Boston, Philadelphia and Chicago. Now, two more have been added to this number. A dozen more are in the act of planning mass rapid transit. Pollution and the energy crisis are major factors.

Buses play an important part in the overall rapid transit activity. Many cities now have growing networks of express buses, preferential lanes for buses, reverse lanes for buses, signal priority systems, downtown circulation systems, fare reductions, etc. Emphasis is being placed on coordinated systems.

Priorities are shifting. It is now more important to move people than to make the books balance at the end of the year. There is a need to react to the needs for the energy crisis and environmental controls.

RTD, as it stands today, is one of the top bus systems in the United States in terms of physical condition and operating skills. RTD has moved into the downtown circulation with the success of the Mini-bus. Exclusive lanes on the San Bernardino Freeway are in partial operation, a program to maintain a level offares that meets the needs of the community, and plans to expand service on existing routes are part of RTD's proposal for improved transportation for the area.

The growing need for the future will be to improve

transportation in the major travel corridors while rapid transit is being developed.

It is important to push ahead on an expanding program and help to pave the way for new rapid transit.

The following questions followed Mr. Gerlach's presentation.

- Q. Debenture says cannot eliminate fare. What can be done to change this and how can you get the State to eliminate the right to strike?
- A. Support comes from two sources, revenues and public funds. Debenture says take in enough money to pay expenses, doesn't say where the money comes from. Debenture does not dictate policy.

Mr. Gerlach's presentation was completed at 5:10 p.m. and Mr. Gilstrap then introduced Mr. Victor Cole, Executive Vice-President of Kaiser Engineers.

Mode Technology and Construction Costs
- Kaiser Engineers

The system chosen must be based on the job to be done. It is important to get to high employment centers, high activity centers, system must have pleasant aesthetics, and there must be talk about a viable commercial community. No one system can do the total job. Each system has its own specialty. Speeds are different and must be considered. We have reviewed 145 systems in this study.

There are four major categories of systems: (1) high speed, (2) motor vehicle, (3) fixed guideway, and (4) small vehicle (PRT). High speed systems utilize three types of hardware: TACV, magnetic levitation, or conventional rail and are designed for intercity travel. Motor vehicle system is comprised of exclusive lanes,

dial-a-bus, and dual mode concepts. Exclusive lanes would be such as our El Monte-Los Angeles Busway; dial-a-bus is a computer directed bus line and can be used for local area and feeder to trunk-line system. Dual mode system can be small car vehicle operated by electric batteries that operates on or off fixed guideways or larger dual-mode buses operating as feeders off fixed guideways and also operational on fixed guideway.

Fixed guideway system is a high capacity system for trunk lines in urban transit, capable of carrying 40,000 to 50,000 people per hour in one direction and operating up to 80 MPH depending on station spacing. This system includes rubber-tired systems. Substantial improvements in comfort and convenience and heavy job load in main line capacity are features of this system.

Small vehicle system is for medium density system. Small vehicles can be used as distribution system for activity centers, point-to-point service such as airports, crosstown feeders, shopping centers, colleges, etc. Also, PRT comes into this category. These are small vehicles that operate on close headways and travel from origin to destination non-stop on a fixed guideway. This form of transportation is still in developmental stage.

It is important to know the capacity character and abilities of each mode in order to lay out the regional system. It appears that Los Angeles will have a fixed guideway system, exclusive bus lane system and some sort of activity center distribution system.

Lighter weight structures are being built now which are

more pleasing to the public. More attention is paid to environmental design and landscaping and the integration of guideway structures with building structures, planning of linear parks, etc.

Environmental design is also evident in subways. It is important to think of subway as part of the total system, especially through commercial centers and high rise concentration centers. The high cost of building is tremendous for subways in spite of studies and experiments in building tunnels in various ways. There is as yet no way to build a subway at a lower cost in comparison to above ground structure.

Escalation is estimated by what has happened in the past. In a total building period of ten years, \$100 million cost today will cost \$160 million. A \$3 billion system today, for every week's time the system is delayed will cost \$5 million in escalation, or for every workday's delay in starting of the system, add \$1 million increase.

Mr. Cole's presentation was completed at 5:35 p.m.

Mr. Gilstrap then introduced Mr. George L. McDonald, Manager of Planning & Marketing, who summarized the purpose of this Special Meeting of the Board of Directors.

The corridor analysis commenced in October as a follow-up to the Central Line proposal. The purpose of the corridor analysis is to identify and justify the principal corridors, modes, inventory and to select a financial plan. The District will ask Stone & Youngberg to specifically recommend a funding plan to construct the rapid transit facility.

Particular attention will be given to environmental needs. We will look to rail lines for commuter service in the area and immediate bus improvements. This will require the cooperation of the Division of Highways and local municipalities. Corridor study consultants are meeting periodically with the Technical Review Committee, reporting to various jurisdictions, SCAG, County of Los Angeles, City of Los Angeles, League of California Cities.

In June we will have specific corridors selected, we will give priorities and place within the corridors rapid transit routes and station locations; we will recommend a rapid transit mode or combination of modes; we will have a funding plan outlined including legislative or referendum requirements.

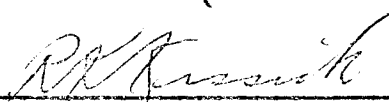
In June we will present the plan to political jurisdictions in the area and the community at large. There will be public hearings which are required by District Law and also to satisfy DOT environmental requirements. Environmental requirements will be cleared prior to an election. We are going to seek community review of the plan and funding mechanism recommended, with meetings scheduled for the neighborhood level. The District has an obligation to do this and we will do it. A Final Report will be presented in about three months.

We contemplate a regional system will cost \$3 billion to \$5 billion. An election will be required to unlock funds to provide the money.

Los Angeles deserves a rapid transit system.

Los Angeles needs a rapid transit system.

Mr. McDonald's summary was concluded at 5:43 p.m., and
Mr. Gilstrap adjourned the Meeting at 5:45 p.m.



Secretary

LOS ANGELES MUSIC CENTER

APRIL 11, 1973

NAME	REPRESENTING
L. Arriola	Mayor's Office LA
J. Pulvicki	A. Corp. Edison Co. - Rosemead
Mr. P. ...	L.A. CITY CAO
Robert ...	Transit Leadership
John ...	Supv. James Hayes
D. ...	Director - Vinton S. ...
John ...	Supv.
...	/ /
...	Director
...	City of Pomona
...	Himself
...	Supv.
...	Supv.
...	Def. Schabanum -
W. RUSSELL	DPUT LA
L. ...	City of LA
...	KAY ...
J. ...	League of Cities - City of Lawton SCA Council

RAPID TRANSIT SEMINAR

LOS ANGELES MUSIC CENTER

APRIL 11, 1973

NAME	REPRESENTING
A Thomas	Kaiser Engineers
E. Ole of Contine	" "
M. L. Smith	Covadese & Colquhoun
M. Baker	Covadese & Colquhoun
A. P. Hill for Wilson	Sen. Alan Ralston State DIV of Highways
Dodd Ford	" " "
200 P. 125	Synthetic & Plastics
J. L. Garrison	City of Montebello
J. L. Garrison	CITY OF MONTEBELLO
J. L. Garrison	Social. Rapid Transit Dept.
R. L. Smith	General M.D.
184-EVELYN BOYDEN	Supr. Ralph B. Clark, Or. Co.
ENG. MOIR	L.A. CITY PLANNING DEPT.
J. L. Garrison	L. A. Co. Rd.
J. L. Garrison	" " "
J. L. Garrison	Kaiser Engineers / DMW
Paul Taylor	Alan M. Voorhes & Assoc.
J. L. Garrison	League of Women Voters, L.A. Div. Observation
J. L. Garrison	KFI Radio

RAPID TRANSIT SEMINAR

LOS ANGELES MUSIC CENTER

APRIL 11, 1973

NAME	REPRESENTING
Robert K... ..	Mayor Hawthorne
Robert Roberts	Mayor Goodale
J M Aime	Councilman Cantarini
James Woffing	RTD
Velta Schweder	Dept of Traffic, L.A. City
Delvin Gray	RTD
Merrill...	SENATOR AL SOWAN - 28 TH DIST.
Howard Black	A.P.L. & C.I.D.
Paul...	City of Long Beach
Roy...	SELF.
Ed...	Auto Club of Southern Cal.
L. L. ...	La Puente, Mayor
Betty Wilson	Chairman, ... of
Jack Brown	Herald-Examiner
R. Frank	RTD
Bill Aden...	SCAG
K. E. ...	City of ...
L. Colli	RTD

Frank Sawyer Pres. of Supr City of S.F.
Jay Price Dir. RTD.

Chas. Bunker CIT

Arthur Bellanca Dir. RTD.

Councilman Snyder ~~for~~ L.A. City

Joe Valera for Councilman Lindsay

We will set up for the
slides while you introduce
Vic - Is this OK?