

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

Minutes of Regular Meeting of  
the Board of Directors of the District

December 8, 1976

Upon notice duly given, the Board of Directors of the Southern California Rapid Transit District met at a regular meeting in the District Board Room, 425 South Main Street, Los Angeles, California, at 1:15 p.m. on December 8, 1976, at which time President Byron E. Cook called the meeting to order.

Directors present:

George W. Brewster  
Byron E. Cook  
Marvin L. Holen  
Mike Lewis  
Thomas G. Neusom

Jay B. Price  
Ruth E. Richter  
Charles H. Storing  
George Takei

Directors absent:

Donald Gibbs  
Baxter Ward

Staff present:

Jack R. Gilstrap, General Manager (entered at 1:20 p.m.)  
George W. Heinle, Manager of Operations  
Jack Stubbs, Asst. General Manager for Administration  
Richard T. Powers, General Counsel  
George L. McDonald, Manager of Planning & Marketing  
Joe B. Scatchard, Controller-Treasurer-Auditor  
John S. Wilkens, Manager of Employee Relations  
Richard Gallagher, Manager of Rapid Transit  
Mike Olivas, Deputy Administrator-Equal Employment Opport.  
Robert Williams, Manager of Customer Relations  
R. K. Kissick, Secretary

Also present were members of the public and the news media.

Presentation of Third Quarterly Safety Awards

President Cook presented the Third Quarterly Safety Awards to Division Manager Arthur Howard, representing the maintenance employees of Division #6, and to Division Manager L. E. Edmondson, representing transportation employees of Division 3 and 10.

Presentation of Award by the Los Angeles County Lung Association

President Cook received an award presented by the Los Angeles County Lung Association by its president, Mr. Earl Smith, for the District's "No Smoking" campaign which had been conducted by means of interior car cards on buses. Mr. Smith also presented a 60-second film commercial which urged use of buses in order to reduce air pollution by autos.

Approval of Contract with County of Los Angeles Covering Santa Clarita Public Transit System Transfer Interchange

Agenda Item No. 9, a proposed contract with the County of Los Angeles covering a Santa Clarita Public Transit System transfer interchange, was taken out of order.

Mr. McDonald reviewed the report dated December 2 which recommended that the agreement provide that the Santa Clarita system be permitted to terminate its lines in the vicinity of Sepulveda and Roscoe Blvds. to interface with District lines, rather than at Chatsworth Street which the Board had directed on November 24.

Resolution  
No. assigned

Mr. Irv Morhar, County Road Commissioner, appeared before the Board and stated that the Chatsworth interchange proposal would inconvenience about 100 passengers per day and that the two staffs were in agreement concerning the Roscoe Blvd. location. Director Richter felt that Devonshire Street was more desirable due to traffic problems at Roscoe Blvd. On inquiry, Mr. Morhar stated that funds under the contract were not coming from funds that the District would normally receive. He further stated that the Santa Clarita routes and schedules could not be published until agreement was reached, and that there would be closed door operation in the RTD's service area.

Director Lewis moved approval of the staff recommendation, with the contract to extend through the balance of the fiscal year, with the Board to review its continuance at that time, which motion was seconded.

Director Richter stated she wanted the record to show that the District formerly operated three lines from the Santa Clarita Valley which were not successful and could not come into the San Fernando Valley due to an objection from Greyhound.

Mr. McDonald stated that in accordance with the Board's request, the County had agreed to furnish periodic reports concerning the Santa Clarita system.

Resolution  
No. assigned

The question was called for on Director Lewis's motion, carried as noted below, and the following resolution adopted:

R-76-521

RESOLVED, that Resolution No. R-76-510 adopted November 24, 1976, be and the same is hereby amended to provide that the contract with the County of Los Angeles providing for a transfer interchange between District Lines and those of the Santa Clarita Public Transit System shall be for the period December 12, 1976 through June 30, 1977, with this Board of Directors to review the continuance of the contract at that time, and, further, that the terminus of the Santa Clarita service shall be in the vicinity of Sepulveda and Roscoe Boulevards, rather than Chatsworth Street, in the San Fernando Valley, with interface transfer points on District Lines 152, 157 and 166, as outlined in the report dated December 2, 1976, a copy of which is filed with the Secretary.

Ayes: Brewster, Cook, Holen, Lewis,  
Neusom, Price, Storing, Takei

Noes: Richter

Abstain: None

Absent: Gibbs, Ward

Ratification of General Manager's Action to Provide Service to and from Los Angeles International Airport

President Cook read a draft resolution proposing ratification of the General Manager's action in providing temporary services to various areas to and from the Los Angeles International Airport, which service was instituted on a temporary basis effective December 2 when the services were abandoned by AirporTransit on December 1 due to that company's inability to obtain necessary PL & PD insurance. He also read a letter to the California Public

Resolution  
No. assigned

Utilities Commission from AirporTransit regarding the application of The First Gray Line Corp. to the Commission to be granted authority to operate the service on an interim basis.

Mr. Dale Dullabaum, president of The Gray Line Tours, Inc., appeared before the Board stating that his company had applied to the PUC on December 4 for authority to operate the service and are now operating the Flyaway service from the San Fernando Valley to the airport under contract. He requested the Board's support of his company's application and protested operation by the District instead of by a private company. On inquiry, he stated that his operators were non-union.

Director Holen felt the service formerly provided by the private operator was a complete failure, and it was the intention of the District to investigate the results of its service and then determine whether to continue to operate on a permanent basis.

Mr. Gilstrap reported that the Legislative Analyst had recommended the District be permitted to charter buses but the private charter companies had opposed the legislation, but that the District is able to provide the service under consideration.

Resolution  
No. assigned

Director Takei felt the reference to the PUC in the draft resolution should be removed, and Director Brewster felt the District could appear at any PUC hearing after analyzing the proposal of the private company, while Mr. Holen favored continuance of the service by the District.

Mr. Heinle stated the District stepped in and provided the service overnight on a better basis than the former private operator, and there was no guarantee the private operator could do the job. On inquiry, Mr. Powers stated there was no PUC jurisdiction involved in the District operation, and Director Price stated the United Transportation Union, representing the District operators, was in favor of the RTD operating the service.

Director Neusom moved approval of the draft resolution, but that the last paragraph of the draft resolution be amended to state that the District is now offering the service, will continue to operate and improve the service with the intent to operate the service permanently, which motion was seconded and carried as noted below, and the following resolution adopted:

WHEREAS, AirporTransport, Inc. did cease to provide public transportation bus service in accordance with certificates of public convenience and necessity covering routes between the Los Angeles International Airport and various other points on November 30, 1976; and

R-76-522

Resolution  
No. assigned

R-76-522  
(continued)

WHEREAS, the Southern California Rapid Transit District moved quickly to replace such bus service beginning at 12:05 a.m. on December 2, 1976 in response to a request from the City of Los Angeles and is continuing to operate such service in a reliable and timely manner; and

WHEREAS, Los Angeles International Airport is a hub and an integral element of the public transportation network in Los Angeles County for which the Southern California Rapid Transit District is responsible for by legislative mandate; and

WHEREAS, private carrier service has failed to provide adequate service due to uncertain schedules, and undependable equipment and general poor business practices for many years; and

WHEREAS, the Southern California Rapid Transit District Board of Directors views continuation of its service to the Los Angeles International Airport as an essential element of its responsibility to the public and has voted unanimously to make it a permanent part of its public transportation network; and

WHEREAS, the Public Utilities Commission of the State of California may be receiving applications for certificates of public convenience and necessity for such routes and services between Los Angeles International Airport and various other points as previously operated by AirporTransit, Inc. from private companies;

NOW, THEREFORE BE IT RESOLVED, that the action of the General Manager in providing temporary emergency service to and from the Los Angeles International Airport, as described above, be and the same is hereby ratified;

RESOLVED FURTHER, that the Southern California Rapid Transit District will continue to operate and improve service to and from the Los Angeles International Airport with such operations being a permanent Southern California Rapid Transit District service.

Resolution  
No. assigned

Ayes: Brewster, Cook, Holen, Lewis, Neusom,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Gibbs, Ward

Following adoption of the above resolution, Director Lewis requested a report regarding the cost effectiveness of the airport service.

Presentation of General Manager's Report for the New Year

General Manager Gilstrap presented the "Report of the General Manager for the New Year, 1977" dated December 8, 1976. The report reviewed the increases in District services the past two years, economy measures necessary next year, departmental goals and objectives, a brief review of the five-year plan which was the next item on the agenda, and the four-point transportation development program.

The report, a copy of which is attached to these Minutes as EXHIBIT 1, was received and filed.

Submission of Draft Five-Year Plan for First Review

Copies of the preliminary Draft Five-Year Plan books were distributed to the Board. Mr. McDonald reviewed the plan presenting the important portions by means of charts and graphs, and indicating the plan includes an average 5-cent fare increase annually, and emphasizes the minimum growth alternate as had been directed by the Board. Mr. McDonald responded to several questions posed by the Board.



Resolution  
No. assigned

The plan was received by the Board for review with the understanding it would be on the agenda at the December 22 meeting for adoption, with the recommendation that it be submitted to the new Los Angeles County Transportation Commission and other local, state and federal agencies and jurisdictions.

Approval of Agenda Item Nos. 5 through 24, Except Nos. 8, 9, 12 and 14

On motion of Director Storing, seconded and carried as noted below, Agenda Item Nos. 5 through 24, except Item Nos. 8 and 14, and 9 and 12 which had been previously considered, and the following resolutions adopted and/or actions taken:

Ayes: Brewster, Cook, Holen, Lewis, Neusom,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Gibbs, Ward

R-76-523

RESOLVED, that the General Manager is authorized to execute a contract with United Riggers & Erectors, 12222 East Florence, Santa Fe Springs, the lowest responsible bidder under Bid No. CA-03-0106-A and CA-03-0090-D, covering the purchase and installation of automatic bus washers and vacuums at Division 5 and Division 7 at a total bid price of approximately \$844,500; subject to the concurrence of the Urban Mass Transportation Administration (UMTA Capital Grant Project Nos. CA-03-0106 and CA-03-0090); form of contract subject to approval of the General Counsel.

R-76-524

RESOLVED, that the General Manager is authorized to salvage and scrap bus Nos. 5100 and 5982 which were damaged by fire, as described in the report dated November 29, 1976, a copy of which is filed with the Secretary; subject to approval of the Consulting Engineer.

Resolution  
No. assigned

R-76-525

RESOLVED, that Requisition No. 3150-150 be and the same is approved, and the General Manager is authorized to enter into a contract with Addressograph-Multilith Corporation, 3020 Wilshire Boulevard, Los Angeles, for the purchase of one Addressograph-Multilith Model 4875MR Duplicator, with Norfin 104S Sorter, at a cost of \$52,670.76; form of contract subject to approval of the General Counsel.

R-76-526

RESOLVED, that the report dated December 2, 1976, a copy of which is filed with the Secretary, be and the same is approved, and the General Manager is authorized to include in the Official Route Descriptions Seventh Revised Page 88 and Second Revised Page 157, with modification and combination of those lines to be effective in mid-January, 1977; subject to approval of the Consulting Engineer.

R-76-527

RESOLVED, that the report dated December 2, 1976, a copy of which is filed with the Secretary, be and the same is approved, and the General Manager is authorized to revise Line 57 Race Track service by not providing service from San Bernardino and Riverside Counties during the upcoming 75-day racing meet at Santa Anita Race Track.

R-76-528

RESOLVED, that the report dated December 3, 1976, a copy of which is filed with the Secretary, be and the same is hereby approved, and the Treasurer is authorized to establish a new commercial checking account to be titled "Southern California Rapid Transit District - Claims Account", and deposit therein sufficient District funds to cover checks drawn on behalf of the District on such account by GAB Business Services, Inc. for the purposes as described in the current agreement with GAB Business Services, Inc.

R-76-529

RESOLVED, that the report dated November 30, 1976, a copy of which is filed with the Secretary, be and the same is hereby approved, and the General Manager is authorized to institute a program covering reimbursement for management physical examinations as described in said report.

R-76-530

RESOLVED, that the General Manager is authorized to execute a contract with Edgington Oil Company, 2400 East Artesia Blvd., Long Beach, the highest responsible bidder under Bid No. 11-7615-S, covering the sale of the District's used oil for a one-year period at a total estimated revenue to the District of \$22,650; form of contract subject to approval of the General Counsel.

Resolution  
No. assigned

R-76-531

RESOLVED, that Requisition No. 7300-520 is approved, and the General Manager is authorized to exercise an option for one additional year with Unistrut Los Angeles, Inc., 14800 Marquardt, Santa Fe Springs, for supplying District requirements for metal sign posts, anchor posts, anchor sleeves and post caps at an estimated cost of \$56,000; form of option subject to approval of the General Counsel.

R-76-532

RESOLVED, that Requisition No. 7300-521 is approved, and the General Manager is authorized to exercise an option for one additional year with McFarling Glass Company, 1680 North Miller Ave., Los Angeles, for supplying the District's requirements for various glass items at an estimated cost of \$50,000; form of option subject to approval of the General Counsel.

R-76-533

RESOLVED, that Requisition No. 7300-522 is approved, and the General Manager is authorized to exercise an option for one additional year with Armour Glass Company, 9401 Ann St., Santa Fe Springs, for supplying District's requirements for various glass items at an estimated cost of \$93,000; form of option subject to approval of the General Counsel.

R-76-534

RESOLVED, that Requisition No. 3200-600 is approved, and the Purchasing Agent is authorized to call for bids covering the purchase of a Word Processing Text Editing Machine in accordance with the Rules and Regulations; form of bid requirements and specifications subject to approval of the General Counsel.

R-76-535

RESOLVED, that all bids received under Bid No. CA-03-0049-B are rejected, and the Purchasing Agent is authorized to reissue bids in accordance with the Rules and Regulations covering the purchase and delivery of automotive service equipment for Division 3; which project is to be funded in part under UMTA Capital Grant No. CA-03-0049; form of bid requirements and specifications subject to approval of the General Counsel.

R-76-536

RESOLVED, that the report dated December 2, 1976 is approved, and the General Manager is authorized to execute an amendment to an existing lease agreement with A.M.R.S., Inc., lessor, covering the operation of three radio transceivers at A.M.R.S.'s Rolling Hills Radio Transmitter Site (3960 Crest Rd., Rolling Hills) to extend the term for an additional year from January 1, 1977 and month-to-month thereafter; form of agreement subject to approval of the General Counsel.

Resolution  
No. assigned

- The Minutes of the Regular Meetings of November 18 and November 24, 1976 were approved.
- Ratified bus stop zone changes as described in report dated November 30, 1976 filed with the Secretary.
- Received and Filed Purchasing Agent's Statement of Material and Supplies Account for the month of October, 1976.

Approval of Contract with Transit Ads, Inc. Covering Transit Advertising

On motion of Director Brewster, seconded and carried as noted below, Agenda Item No. 8 was approved and the following resolution adopted:

R-76-537

RESOLVED, that the General Manager is authorized to execute a contract with Transit Ads, Inc. covering transit advertising on District buses for a three-year period commencing January 1, 1977, with an option to renew for an additional three-year period at the election of the District, with the staff to investigate the matter of including a trade-off advertising program with the District's advertising agency, and, further, to include a clause providing for a definite time of submission of insurance requirements under the contract; form of contract subject to approval of the General Counsel.

The staff was also directed to investigate and report back to the Board regarding the feasibility of an advertising program, i.e., car cards and outside posters, on the minibuses.

Approval of Findings of Public Hearing Held on November 23, 197

With respect to Agenda Item No. 14, Director Holen reported that prior to his motion on the item he wanted to inquire for the record if there were any comments from the audience regarding the public hearing which had been held

Resolution  
No. assigned

on November 23, 1976 in connection with the District's application to UMTA for funds to construct a bus maintenance and operating division in the West San Fernando Valley, including a request for an advance land acquisition loan for an adjacent 17.5 acres.

There being no comments, on motion of Director Holen, seconded and carried as noted below, the following resolution was adopted:

R-76-538

#### CERTIFICATION

Findings of Public Hearing held November 23, 1976 at 7:30 p.m. in connection with the Southern California Rapid Transit District's Urban Mass Transportation Capital Grant Application (1) an UMTA capital grant to aid in the financing of the purchase of an 18-acre parcel of land and the construction of an operating and maintenance facility; and (2) an UMTA advance land acquisition loan for the purchase of 17-1/2-acre parcel contiguous to the 18-acre parcel for the operating and maintenance facility.

Byron E. Cook, President of the  
Southern California Rapid Transit District

HEREBY CERTIFIES THAT, in the development of this application for a Mass Transportation Capital Improvement Grant under the Urban Mass Transportation Act of 1964, as amended, it:

1. Has afforded adequate opportunity for public hearings pursuant to adequate prior notice, and has held such hearings, in accordance with the requirements set forth by the Urban Mass Transportation Administration.
2. Has considered the economic and social effects of this proposed project and its impact on the environment.

Resolution  
No. assigned

R-76-538  
(continued)

3. Has found that this proposed project is consistent with official plans for the comprehensive development of the urban area.

DATED \_\_\_\_\_

SOUTHERN CALIFORNIA  
RAPID TRANSIT DISTRICT

By \_\_\_\_\_  
Byron E. Cook, President

Ayes: Brewster, Cook, Holen, Lewis, Neusom,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Gibbs, Ward

Approval of Attendance and Travel by Director Lewis to  
Meetings of the National Association of Counties, Urban  
Transportation Committee

Director Takei, Chairman of the Personnel Committee, moved that an item be added to the agenda, which motion was seconded and carried.

On motion of Director Takei, seconded and carried as noted below, the following resolution was adopted:

R-76-539

RESOLVED, that Director Mike Lewis is authorized to attend meetings of the National Association of Counties, Urban Transportation Committee, and the Treasurer authorized to pay expenses incurred in connection with attendance at said meetings.

Ayes: Brewster, Cook, Holen, Lewis, Neusom,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Gibbs, Ward

Instructions to Staff to Submit a Public Information  
and Marketing Program

Director Lewis inquired concerning the District's marketing program and requested that a public information and marketing program be submitted to the Board in January or early February for the Board to review, following which the Board would look at the advertising contract. Director Neusom suggested that perhaps an outside consultant could review and recommend a program, but Director Lewis felt the program could be reviewed with the present advertising agency.

On motion of Director Lewis, seconded and carried as noted below, the following resolution was adopted:

R-76-540

RESOLVED, that the staff, after consultation with the District's present advertising agency, is requested to submit a public information and marketing program to the Board of Directors by early February, at which time the Board will review the program and the contract with the advertising agency.

Ayes: Brewster, Cook, Holen, Lewis, Neusom,  
Price, Richter, Storing, Takei

Noes: None

Abstain: None

Absent: Gibbs, Ward

Discussion of 13 (c) Labor Protective Agreement

Director Neusom inquired as to the status of the 13 (c) labor protective agreement and Mr. Powers reported the unions have been contacted regarding the relocation formula and the fact finding process has been completed.

Resolution  
No. assigned

A meeting concerning ground rules was held in abeyance due to the work stoppage, and that such a meeting would not be wise until the BRAC contract is resolved. The Labor Department has suggested a meeting the first of the year if the BRAC contract is settled. Mr. Gilstrap reported that Secretary Coleman had stated that settlement on four or five points was slim, and an author was being sought to sponsor legislation to implement the negative declaration. He further stated that the recent election apparently dealt a blow to the 13 (c) problem for the time being as a result of the new administration.

Director Neusom hoped that in spite of the new administration, the problem could be resolved and it was unfortunate APTA wouldn't take a stronger position in the matter.

Director Lewis felt he could generate some interest when he attended the meeting of the National Association of Counties, Urban Transportation Committee, meeting in Washington next week; and also he was meeting with APTA Chairman McDonough in Chicago on the return trip.

The meeting was adjourned at 3:42 p.m.



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Secretary





**Southern California Rapid Transit District**  
425 South Main St., Los Angeles, California 90013  
Telephone: (213) 972-6000

JACK R. GILSTRAP  
General Manager

December 8, 1976

**To: Board of Directors**

**From: Jack R. Gilstrap**

**Subject: Report of the General Manager  
for the New Year, 1977**

As we approach the beginning of the New Year, I am pleased to report to your Board on the status of the District and the programs and goals for the coming year.

In pausing for a moment to look back, it is clear that the last five years have witnessed a major shift in public opinion toward transportation. After years of massive public investments in urban highways to "solve the problems of congestion," the public's willingness to continue these types of investments has declined. Across the nation people have demonstrated this new attitude by providing specific funds to gain new transit services for a more balanced transportation system.

The District is now reaching out to new areas. We are providing a basic network of routes where few or none existed. This has been a natural response to the District's broadly-based sales tax support and the public's need for basic transportation alternatives for themselves and their communities. As these new attitudes towards transit have become more clearly defined, the goals for public transit in general and RTD specifically have evolved:

- o Public transit must continue to provide services for those without alternative means of transportation;
- o Public transit should be a key element in solving the mobility problems faced by a growing urbanized area;

- o Transit must facilitate alternative lifestyles and community development patterns for those who would choose them;
- o Transit has a very key standby role as an occasional or frequent alternative to the automobile;
- o Transit must be in the position to respond in the future if and when events beyond the control of the citizenry force curtailed use of the private auto.

The Rapid Transit District is just now, after many years, beginning to provide the type of regional transit service Los Angeles requires; we are beginning to meet a broad range of needs. The RTD has become a transit system that is not only willing but able to successfully innovate in its efforts to meet unsatisfied needs in the community. The District is doing a yeoman's job. However, if we are to continue to do so we must have the necessary financial resources.

As it always has, the District can and will live within available means. This will not, however, enable the RTD to meet the full range of transit needs of our district!

Last December your Board received a Five Year Plan detailing proposed bus service investments in Los Angeles County. That report set forth the District's past accomplishments of providing greatly expanded services in the South Central and San Fernando Valley areas and also detailed a significant service improvement plan, which we have now completed, i. e., placing more and better services in the Mid-Cities, South Bay, East Los Angeles and the San Gabriel Valley area. It was indicated to you at that time that even though we were in the midst of an expansion program, we were also carrying out detailed and systematic analyses of the transportation needs of the area and were refining these new services following their implementation.

#### BASIC DISTRICT GOALS

I can tell you today that we met our agency's major goals for 1976. But I must also say that the worsening financial picture for public transit described to you last year has grown more acute in Los Angeles. This fact underlies much of the planning and goals and objectives for 1977.

These fundamental goals, which the Board has set for the District, can be summarized as:

1. Live within currently available financial resources, while maximizing service to the public;
2. Aggressively bring to the public's attention the fact that the region does require growth in its public transit system and must find the financial resources to permit such growth; and
3. Carry forward the preparation of a contingency plan to meet long-range public transportation requirements of the Los Angeles metropolitan area and seek the funding of this program.

#### ECONOMY MEASURES

Near-term, the District is living within its means and utilizing its resources to maximize public transit services. This is being accomplished through careful application of our limited resources and certain reductions in the District's operations in both direct bus services and support services.

To streamline our operations your staff reported to you that for the current fiscal year some \$3-1/2 million in cost savings were being effected in bus and support operations. These savings have occurred through tripper cancellations in anticipation of ridership deflections resulting from the recent work stoppage, park/ride cancellations, Santa Monica Freeway service reductions, service modifications to various lines and reduction in non-contract support functions. In addition to these savings efforts underway, your Board approved last month an additional \$1-1/2 million in savings from those line segments of routes with very low ridership, essentially with less than ten passengers per bus hour. These modifications specifically are to be in the Mid-Cities-Cerritos area, East Los Angeles, and in the San Gabriel Valley, Claremont/Pomona Valley lines.

Virtually all departments in the District already have and will experience some staff and program reductions. With the strike and the freeze on non-contract hiring established in September, we have already reduced our non-contract employees by 88 positions (approximately 10% of our non-contract work force) from the number budgeted through attrition, reduction in current efforts and holding up on planned expansions in various areas.

Obviously, these cutbacks will be felt. For example, some capital programs will experience delays; a lower level of bus line analysis refinement will result in the evaluation program; there will be a decrease in the number of internal audits rather than an expansion of this function as budgeted for this fiscal year; a holding of the line will occur, rather than an increase in the development of new product specifications; some reduction will result in staff monitoring of construction work and a stretch-out of the schedule for staff design work required by the capital improvement program; further, we have held up the staffing required by the rapid transit preliminary engineering program pending federal funding approval. I should point out that in spite of these reductions, we anticipate increasing per person productivity by greater reliance on our new computer and related technology - as discussed later in this paper. It is also anticipated that continued emphasis will be placed on training to increase knowledge and skills of our managers, supervisors and other employees so as to increase their job performance and productivity.

In addition to these economies resulting from the across-the-board freeze, further reductions and redirection of resources are underway in several departments in order to minimize cuts in operators and mechanics which directly impact the level of bus service. We are reducing our Service Analysts' section which identifies potential service improvements. Reduction of this activity can be offset partially through greater utilization of Service Inspector reports, supervisors and instructors in the field, schedule checker reports and increased encouragement of employees to report significant observations in their use of the system.

A hiring freeze on all telephone information operators and supervisory positions is anticipated. The current staffing level has been established as the departmental personnel ceiling. Further reductions in this department will be considered with an effort towards minimizing reductions

