

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

December 16, 1969

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

December 16, 1969

Upon notice duly given, the Directors of the Southern California Rapid Transit District met at a regular meeting in the District Board Room, 1060 South Broadway, Los Angeles, California, at 10:00 a.m. on December 16, 1969, at which time President Kermit M. Bill called the meeting to order.

Directors Kermit M. Bill, Charles E. Compton, Leonard S. Gleckman, David K. Hayward, Herbert H. Krauch, Michael E. Macke, Don C. McMillan, Thomas G. Neusom and Douglas A. Newcomb were present. Directors A. J. Eyraud, Jr. and Norman Topping were absent.

Also present were General Manager Samuel B. Nelson; General Counsel Milton McKay; Assistant General Manager for Operations George F. Goehler; Assistant General Manager for Rapid Transit Development Jack R. Gilstrap; Controller-Auditor-Treasurer H. L. Black; Secretary Virginia L. Rees; and the public.

) Approval of Minutes

The Minutes of the Regular Meeting held December 2, 1969 were approved.

Temporary Route Diversions

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

RESOLUTION NO. R-69-274

RESOLVED, that the temporary route diversions caused by construction work affecting Lines 38, 53A, 58, 92, 103 and 107, as described in report dated December 8, 1969 filed with the Secretary, be and the same are hereby ratified and confirmed.

Changes of Bus Stop Zones

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

RESOLUTION NO. R-69-275

RESOLVED, that the report dated December 8, 1969 relating to bus stop changes, filed with the Secretary, be and the same is hereby ratified and approved.

Report of Purchasing Agent - Statement of Purchases Over \$99.99, Except Routine Purchased Material or Supplies for Stock and for Ordinary Repairs

Pursuant to Section 8.2 of the Rules and Regulations, the Purchasing Agent's Statement of Purchases over \$99.99, Except Routine Purchased Materials or Supplies for Stock and for Ordinary Repairs, dated December 8, 1969, was presented to the meeting and was ordered "Received and Filed." A copy of the Statement is filed with the Secretary.

Los Angeles Turf Club, Inc. - Extra Scheduled Bus Service Agreement

After discussion, on motion of Director Compton, Chairman of the Surface Operations Committee, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-69-276

RESOLVED, that the General Manager be and he hereby is authorized to execute on behalf of the District an agreement, entitled "Extra Scheduled Bus Service Agreement," between the Southern California Rapid Transit District and the Los Angeles Turf Club, Inc. for the 1969-70 thoroughbred racing season; form of agreement subject to approval of the General Counsel.

Director Macke entered the meeting and remained throughout.

Los Angeles, City of (Grantee) - Permanent Easement For Public Street Purposes over Sherman Way Frontage of Division #8 Property

After discussion, on motion of Director Compton, Chairman of the Surface Operations Committee, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-69-277

WHEREAS, the Southern California Rapid Transit District is the owner of a parcel of real property, known as the District's Division #8 property located at 14557 Sherman Way, Van Nuys, California; and

WHEREAS, the City of Los Angeles in October of 1968 requested a 10 foot permanent easement and right of way for public street purposes over the 100 foot Sherman Way frontage of said property to facilitate the widening of Sherman Way; and

WHEREAS, the representatives of the City of Los Angeles subsequently agreed to negotiate for the purchase of said permanent easement and right of way over the said property; and

WHEREAS, an independent appraisal obtained by the District indicated a fair market value of said property of \$4,500.00, or \$4.50 per square foot, and the City's staff appraisal indicated a fair market value of \$2,995.00, or \$3.00 per square foot; and

WHEREAS, thereafter, a tentative negotiated sale price of \$4,000.00, or \$4.00 per square foot, was agreed upon between the representatives of the City of Los Angeles and the District; and

WHEREAS, the Surface Operations Committee on December 11, 1969 considered General Manager Samuel B. Nelson's report dated December 9, 1969 recommending the grant to the City of Los Angeles of a permanent easement and right of way for public street purposes over and across all that parcel of land consisting of a ten foot strip across the Sherman Way frontage of the District's #8 property (14557 Sherman Way, Van Nuys), said parcel being adjacent and contiguous on the north to the existing constructed curb line, together with a Right of Entry to permit the commencement of work prior to the close of escrow, in and for a consideration of \$4,000.00 net payable at close of escrow; subject to approval of the Consulting Engineer, and with waiver of compliance with Section 9.10 of the Rules and Regulations; form of easement deed and right of entry instrument subject to approval of the General Counsel; and

WHEREAS, the Surface Operations Committee concurred in General Manager Nelson's recommendation;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to execute on behalf of the Southern California Rapid Transit District an easement deed (R/W No. 28554-1A, DM 7481) granting and conveying to the City of Los Angeles a permanent easement and right of way for public street purposes in, over, along, upon and across all that parcel of land, situate in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

That portion of Lot 537, Tract No. 1000, as per map recorded in Book 19, Pages 1 to 34 inclusive, of Maps, in the office of the County Recorder of Los Angeles County, included within a strip of land 10 feet wide lying northerly of and contiguous to a line parallel with and distant 40 feet

northerly measured at right angles from the southerly line of said lot.

EXCEPTING therefrom that portion lying easterly of a line parallel with and distant 100 feet easterly measured at right angles from the southerly prolongation of the easterly line of Lot 477, said tract.

ALSO EXCEPTING therefrom that portion of said strip of land 10 feet wide lying westerly of said southerly prolongation,

together with a Right of Entry to permit the commencement of work prior to the close of escrow, in and for a consideration of \$4,000.00 net payable at close of escrow; subject to the approval of the Consulting Engineer, and with waiver of compliance with Section 9.10 of the Rules and Regulations; form of instruments subject to approval of the General Counsel;

RESOLVED FURTHER, that the General Manager be and he hereby is authorized to take any and all actions necessary to complete the transfer of said property as above authorized.

National Safety Council - Payment of Annual Membership Dues and Safety Awards Program

Director Gleckman, Chairman of the Finance & Governmental Affairs Committee, reported that the Committee this morning considered General Manager Samuel B. Nelson's report dated December 9, 1969 recommending approval of the payment of the National Safety Council annual membership dues and Safety Awards Program for 2500 Operators in the amount of \$3,570.00 for the year commencing January 1, 1970, and that the Committee concurred in the General Manager's recommendation.

After discussion, on motion of Director Gleckman, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-69-278

RESOLVED, that the Treasurer and/or Assistant Treasurer be and he hereby is authorized to pay to the National Safety Council the sum of \$3,570.00 to cover the District's annual membership dues and Safety Awards Program for 2500 Operators for the year commencing January 1, 1970.

State Board of Equalization - Approval of Agreement For Preparation to Administer and Operate District Transactions and Use Tax Ordinance

Director Gleckman, Chairman of the Finance & Governmental Affairs Committee, reported that the Committee this morning reviewed the "Agreement For Preparation to Administer and Operate District Transactions and Use Tax Ordinance," and was advised that under the law the District is required to enter into such agreement with the State Board of Equalization, and that it was the Committee's recommendation that the General Manager be authorized to execute the Agreement on behalf of the District; subject to approval as to form by the General Counsel.

After discussion, on motion of Director Gleckman, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-69-279

WHEREAS, the Board of Directors of the Southern California Rapid Transit District on December 2, 1969 adopted Ordinance No. 0-69-1, entitled "An Ordinance Imposing a Transactions and Use Tax to be Administered by the State Board of Equalization;" and

WHEREAS, it is necessary for the District to enter into contracts with the State Board of Equalization to provide for the administration of Ordinance No. 0-69-1;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to execute on

behalf of the District an agreement, entitled "Agreement For Preparation to Administer and Operate District Transactions and Use Tax Ordinance," between the Southern California Rapid Transit District and the State Board of Equalization; form of agreement subject to approval of the General Counsel.

Approval of Extension of Non-Contract Employees' Medical Plan

Director Newcomb, Chairman of the Personnel & Administrative Procedures Committee, reported that the Committee this morning considered General Manager Nelson's report dated December 9, 1969 recommending that the present Non-Contract Medical Plan be extended from January 1, 1970 to March 1, 1970, by which time negotiations for the proposed insured type of Non-Contract Medical and Hospital Plan will have been completed and the plan made effective, and that the Committee concurred in the recommendation.

After discussion, on motion of Director Newcomb, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-69-280

RESOLVED, that the Non-Contract Employees' Medical Plan be and hereby is extended from January 1, 1970 to March 1, 1970.

Approval of Contract - Frank Vicencia, Governmental Relations Representative

Upon approval of the nine Directors present, consideration of continuing the employment of Mr. Frank Vicencia for special professional services was added to the Agenda.

Director Newcomb, Chairman of the Personnel & Administrative Procedures Committee, reported that the Committee this morning

considered General Manager Nelson's recommendation that the employment of Mr. Frank Vicencia to represent the District in governmental relations be continued on a month-to-month basis at a monthly compensation of \$2,500.00 to include all necessary and reasonable expenses incurred in the performance of such duties, commencing as of January 1, 1970, and that the Committee concurred in the General Manager's recommendation.

After discussion, on motion of Director Newcomb, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-69-281

RESOLVED, that the General Manager be and he hereby is authorized to execute on behalf of the District a contract for Special Professional Services between the Southern California Rapid Transit District and Frank Vicencia of 13131 East South Street, Cerritos, California, covering the representation of the District in governmental relations at the state and local level commencing January 1, 1970 on a month-to-month basis at a monthly compensation of \$2,500.00, to include all necessary and reasonable expenses incurred in the performance of such duties; form of contract subject to approval of the General Counsel.

Richard L. Manning - Appointment as Director of Public Information, Effective as of December 21, 1969

Upon approval of the nine Directors present, consideration of the appointment of Richard L. Manning as Director of Public Information was added to the Agenda.

Director Newcomb, Chairman of the Personnel & Administrative Procedures Committee, reported that the Committee this morning considered and recommended that Richard L. Manning be appointed

) to the position of Director of Public Information at an annual salary of \$20,000.00 commencing December 21, 1969.

After discussion, on motion of Director Newcomb, which was seconded, the following resolution was voted upon:

RESOLUTION NO. R-69-282

RESOLVED, that Richard L. Manning be and he hereby is appointed to the position of Director of Public Information at an annual salary of \$20,000.00, effective as of December 21, 1969.

Directors Bill, Compton, Gleckman, Hayward, Macke, McMillan, Neusom and Newcomb voted "Aye." Director Krauch voted "No." The motion carried.

Approval of Filing of Financial Plan for Year 1970 and of Public Transportation Claim for Year 1970, as Required by Chapter 1567, Statutes 1969 (A.B. 2136), with Secretary of State Business and Transportation Agency

) Director Gleckman, Chairman of the Finance & Governmental Affairs Committee reported that the Committee this morning considered and concurred in General Manager Nelson's recommendation that he be authorized to file with the Secretary of the State Business and Transportation Agency the District's Public Transportation Claim for the Year 1970 and Financial Plan for the Year 1970 against the Transit District Public Transportation Improvement Fund, as required by Chapter 1567, Statutes 1969 (A.B. 2136), subject to approval as to form by the General Counsel.

After discussion, on motion of Director Gleckman, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-69-283

WHEREAS, the 1969 Session of the State Legislature enacted into law Assembly Bill No. 2136 (Chapter 1567, Statutes 1969) to aid in the solution of the existing financial problems confronting public mass transportation systems and to make funds available at a time when such systems most urgently need financial assistance to assure the continuance of public transportation services and facilities; and

WHEREAS, said law authorizes the creation of a Transit District Public Transportation Improvement Fund and the adoption of a one-half of one percent transactions and use tax to be effective for a period of six months by a transit district; and

WHEREAS, the Southern California Rapid Transit District on December 2, 1969 adopted Ordinance No. O-69-1, entitled "An Ordinance Imposing a Transactions and Use Tax to be Administered by the State Board of Equalization," which was effective on adoption; and

WHEREAS, said Ordinance, which is operative for a six-month period commencing July 1, 1970, will result in the deposit in the Transit District Public Transportation Improvement Fund of the District available for such public transportation purposes a sum in excess of \$36,000,000.00; and

WHEREAS, the District is required under its Revenue Bond Trust Indenture dated January 1, 1958 to fix and maintain its fares, rates and charges for transportation such that the revenues shall at all times be sufficient to provide for the payment of all of its operating expenses, principal and interest on bonds, and to provide for its sinking and reserve funds; and

WHEREAS, it is estimated that during the calendar years 1969 and 1970 deficits from operations in the amount of not less than \$9,085,500.00 will occur, and the District proposes to meet this financial obligation under the Revenue Bond Trust Indenture by drawing upon the monies which will be available in the account of the District under the Transit District Public Transportation Improvement Fund commencing in September, 1970; and

WHEREAS, the District is seeking to defer an interim increase in its fares, rates and charges for

) transportation during the period preceding the actual receipt of monies from the Transit District Public Transportation Improvement Fund by the timely approval of its Public Transportation Claim for the calendar year 1970; and

WHEREAS, it is believed a temporary nine-month increase in the District's fares, rates and charges for transportation and cuts in service would have a detrimental result upon passenger revenues and cause permanent effects upon passenger revenues during the nine-month period in which such increase in fare or cuts in service would be operative;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is directed to execute and file immediately with the Business and Transportation Agency of the State of California the Public Transportation Claim of the District in the amount of \$9,098,500.00 along with the Financial Plan for the said calendar year 1970, and such other documents or information as may be necessary to establish the District's Public Transportation Claim and permit its timely approval by the State Business and Transportation Agency; form of claim and other documents subject to approval by the General Counsel.

Approval of Expenditure of Funds in Excess of Provision
in 1969 Annual Budget, as Required Under Section
1010 of Trust Indenture

Director Gleckman, Chairman of the Finance & Governmental Affairs Committee, reported that the Committee considered and concurred in General Manager Nelson's recommendation, as contained in report dated December 10, 1969, that the expenditure of funds in excess of the amount provided in the 1969 Annual Budget be authorized.

After discussion, on motion of Director Gleckman, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-69-284

WHEREAS, Section 1010 of the Revenue Bond Trust Indenture dated January 1, 1958 directs that no expenditures for operations and maintenance, replacements, property additions or improvements in excess of the Annual Budget shall be made during any calendar year unless such expenditures are so authorized by the affirmative vote of at least two-thirds (2/3rds) of the members of the Board of Directors of the Southern California Rapid Transit District; and

WHEREAS, it now appears that such expenditures during the calendar year 1969 will be in excess of the 1969 Annual Budget;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Southern California Rapid Transit District by a vote of at least two-thirds of its members does hereby authorize the District to incur during the remainder of the calendar year 1969 expenditures for operations and maintenance, replacements, and property additions or improvements in excess of the 1969 Annual Budget.

Allocation of Operating Revenues Received in 1969

Director Gleckman, Chairman of the Finance & Governmental Affairs Committee, reported that the Committee this morning considered General Manager Nelson's recommendation that the Treasurer be authorized to instruct the Trustee under the Trust Indenture to allocate the revenues received by the District during the calendar year 1969 into the funds specified by the Trust Indenture.

After discussion, on motion of Director Compton, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-69-285

RESOLVED, that H. L. Black, as Treasurer, be and he hereby is, authorized at the close of business in December 1969, to advise the Trustee of the Trust Indenture dated as of January 1, 1958, that the Budget for the year 1969 is revised by affirmative vote of 2/3 of the members of the Board of Directors, and to direct the Trustee to allocate the Revenues received by the District during the calendar year 1969 into the funds specified in the Trust Indenture as follows:

1. Into the Operation Fund, the amount necessary to have a balance of \$2,000,000 at year end.
2. Into the Interest Fund and Bond Retirement Fund, the provisions of the Bond Indenture.
3. Into the Depreciation Reserve Fund, the balance of available revenues.

RESOLVED FURTHER, that the actual ammount so allocated shall be subject to ratification by the Board of Directors.

Operating Report for the Month of November, 1969

The Operating Report for the Month of November, 1969 was presented to the meeting and was ordered "Received and Filed." A copy of the Report is filed with the Secretary.

Report by Chairman of Public Information & Marketing Committee

Director Macke, Chairman of the Public Information & Marketing Committee, reported that the Committee at its meeting on December 10, 1969 considered a Public Information & Marketing Program for the year 1970, and the Staff was directed to submit a detailed report of the program, including Committee recommendations for additional programs, together with a revised budget,

which would be sent to all Board members for review prior to the next Board meeting.

Metromedia, Inc. Advertising Contract

Director Macke, Chairman of the Public Information & Marketing Committee, announced that the Committee at its meeting on December 10th considered another item which would require approval by the Board of Directors, and moved that it be placed on the Agenda, which motion was seconded and unanimously carried.

Director Macke reported that the Committee considered the installation of a special type of frame in 720 of the District's buses to carry advertising of a certain cigarette company which would produce approximately twice the revenue presently received from inside cards under the District's advertising contract with Metromedia, Inc.

After a full discussion, in which opposition was expressed by certain Directors to the installation of the special advertising frames, on motion of Director Macke, seconded and unanimously carried,

The matter of installation of special advertising frames in 720 District buses was referred back to the Staff for further study, and that no action be taken thereon until such time as the Staff has completed its review and report on the advertising contract with Metromedia, Inc. as requested by the Public Information & Marketing Committee at its meeting of October 30, 1969.

Adoption of 1970 Legislative Program

Upon approval of the nine Directors present, consideration of the 1970 Legislative Program was added to the Agenda.

After discussion, on motion of Director Gleckman, Chairman of the Finance & Governmental Affairs Committee, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-69-286

WHEREAS, the 1970 Session of the California Legislature will commence on Monday, January 5, 1970; and

WHEREAS, the District is interested in bringing to the attention of the Legislature certain matters;

NOW, THEREFORE, BE IT RESOLVED, that the Southern California Rapid Transit District hereby seeks the introduction of the following proposed legislative matters at the 1970 Session of the California Legislature:

1. A Resolution calling to the attention of the Legislature the District's long range financing matters.
2. A Bill to require that provisions be made for public transit in all new urban area freeways where present or future needs can be shown and that cost for the transit rights-of-way be made from the highway trust fund.
3. A Bill to amend the RTD Act to make non-contract employees' contributions to retirement plans permissive rather than mandatory so that this matter is one of Board policy rather than law.
4. A Bill to extend the RTD bus operating jurisdiction to include Ventura County and Antelope Valley in the event these communities desire to be a part of the District;

RESOLVED FURTHER, that the Los Angeles Division of the League of California Cities be advised of the legislative program of the District.

Report of General Manager

General Manager Nelson reported on the activities of the District since the last Regular Meeting held on December 2, 1969. A copy of the Report is attached to these Minutes as Exhibit 1.

Introduction of Mr. George K. Saiki, Administrative
Coordinator for the Mayor of the City of Los Angeles

President Bill introduced Mr. George K. Saiki, Administrative Coordinator for the Mayor of the City of Los Angeles, whom Mayor Yorty has assigned as liaison to the District.

Next Regular Meeting

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

RESOLUTION NO. R-69-287

RESOLVED, that the next Regular Meeting of the District be held at the District's Board Room in the Transit District Building, 1060 South Broadway, Los Angeles, California, on Tuesday, January 6, 1970, at 10:00 a.m.

There being no further business, the meeting adjourned.

VIRGINIA L. REE

Secretary

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

General Manager's Report
For Board Meeting, December 16, 1969

Numerous meetings have occupied my time since I last reported to you.

On December 3, Mr. Goehler and I attended a meeting of the American Transit Association's Program Committee at the San Francisco airport. This meeting was held to discuss the program for the A.T.A. Western Regional Conference, which will be held at the St. Francis Hotel in San Francisco on May 3 to 6, 1970. The Directors may wish to circle those dates. I believe the conference will be quite worthwhile. We are arranging for Dr. A. J. Haagen-Smit, Chairman, California Resources Board, to speak on air pollution, and also I am going to talk with Dr. A. C. Ingersoll, Dean of the School of Engineering at U.S.C. and a member of our Technology Review Board, to report on transit technologies studied by the Review Board. We feel that the entire program for this Conference will be most interesting and informative.

On December 4, I appeared before a hearing in Los Angeles of the Air Pollution Sub-Committee of the Assembly Transportation Interim Committee. I gave the Committee an historical outline of the diesel bus, and reported on the District's high maintenance techniques and policies. I noted that the District's diesel buses represent less than 3/100 of 1% of the registered vehicles in Southern California. I also reported on the District's replacement program and emphasized the fact that every bus load of passengers means 35 to 40 automobiles off the streets.

On the afternoon of December 4, I met in Councilman Ernani Bernardi's office with eight representatives from the San Fernando Valley, including the Dean of Valley State College. We discussed transportation services in the vicinity of the College, as well as other areas in the San Fernando Valley.

On December 8, I spoke at a luncheon meeting of the High Twelve Club of Downtown Los Angeles. I outlined the various programs in which the District is involved and the role of public transportation in our area.

For the past year, the District has been working with the Pacific Lighting Service Company on the test conversion of some

buses to natural gas. We contacted them again this last week and were advised that they will have a proposal for us very soon on conversion of a Cummins Diesel Engine. The Detroit Diesel, of which we have 1331, presents some problems which have not been worked out as yet. We anticipate that a Cummins engine will be converted which will be placed in service for test purposes.

Last Tuesday, several staff members and I attended the unveiling of the linear induction motor, developed by the Garrett Corporation of Torrance, under contract to the Office of High-Speed Ground Transportation of the Department of Transportation. The test vehicle is designed to operate at speeds up to 250 mph. It will be finally tested at low speeds up to 30 mph on a 1/4 mile track in the area, after which it will be delivered to D.O.T. for high-speed testing.

We have the results of monthly pass sales during the two-month period that the Exact Fare Plan has been in effect. The number of passes sold in November increased 31% as compared to the month of September prior to the Exact Fare Plan. Pass revenues rose 44% during the same period.

Members of the Staff have been working with representatives of the City of Los Angeles on the conversion of Main and Spring Streets to one-way operations. The District requested that this change be implemented the same date as the annual system shake-up which will become effective April 5, 1970. Last Friday, I received a letter from Sam Taylor, City Traffic Engineer, confirming that the City concurs in our request and that this change will be made next April 5th. The program of having a District representative work closely with City representatives on projects such as this, has certainly proved to be an excellent step in receiving cooperation and coordination needed between the City of Los Angeles and the District.

Yesterday I appeared before the State Highway Commission, which conducted an all day meeting in Santa Ana, and presented to the Commission a report on the proposed Exclusive Express Busway. It was well received by the Commission. I was asked to have lunch with them after the meeting and they appeared to be enthusiastic about it. The renderings that I submitted are shown there. Mr. Gilstrap has put them on an easel. The one map there just shows the map of the area and various stations and features of the Express Busway. The renderings are five in number. The first one is the El Monte station and shows in a very excellent way the proposed development of the park and ride location. Number two is the Express Busway. It shows the busway in the center of the two freeways with the railroad track being moved over. I think for future presentation we will just about double the number of cars that are shown on the freeways.

These were prepared in short time and that is about a 10:00 in the morning or 2:00 in the afternoon, not 7:00 or 8:00 in the morning, traffic pattern. The third rendering is the San Gabriel Blvd. station which shows the park and ride location. The fourth shows the busway on the north side. You may recall when we went and viewed it on the ground. This is after the railroad leaves the median between the two freeways. The fifth one, of course, is just the college station which will be similar to the hospital station. The renderings I think helped in the presentation and we will make use, of course, of them in future presentations.

I should inform the Board that the mode of transportation that you viewed, I believe, prior to last Board meeting which is a suspended type of rubber tired rail system, is going to be presented to the Secretary of Transportation, John A. Volpe. He viewed it while he was out here several months ago. Supervisor Dorn is going back, and I understand William Lear of Lear Jet is going back and the representatives of this new mode of transportation are going to make a presentation next Thursday at 2:00 p.m. before the Secretary. I talked to the Secretary's office this morning and impressed upon them that we will be there. Mr. Gilstrap is going back with the express purpose of explaining to the Department of Transportation that any demonstration grant for new modes of transportation in this area, that we are the operating agency, and it is expected that we will operate the vehicle regardless of what the vehicle is, and if the Secretary is able to provide a grant for this new type mode of transportation, we will furnish the operation and maintenance facilities of this, and that is the purpose.

This matter was discussed at the Finance & Governmental Affairs Committee this morning and the Chairman felt that it was of such importance, and the Committee concurred with him, that a Director or possibly two Directors who could, on this short notice, accompany Mr. Gilstrap and Mr. Stubbs to meet with the Secretary at 2:00 p.m. on Thursday. Mr. Gleckman, Chairman of the Committee, may have some comments on this. That concludes my report, except for this item, and Mr. Gleckman may wish to speak to this.

kb