

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

January 6, 1965

Upon notice duly given, the Directors of the Southern California Rapid Transit District met at a regular meeting in the Board of Supervisors' Hearing Room, 500 West Temple Street, Los Angeles, California, at 10:30 a.m. on January 6, 1965, at which time President Harry A. Faull called the meeting to order.

Directors Howard P. Allen, Mark Boyar, Kermit M. Bill, Robert F. Brandon, Harry A. Faull, Gordon R. Hahn, Leonard Horwin, Don C. McMillan, Douglas A. Newcomb and Norman Topping were present. Director Martin Pollard was absent.

Also present were General Manager C. M. Gilliss; Manager of Operations Cone T. Bass; Treasurer and Auditor H. L. Black; Fiscal Consultant Walter J. Braunschweiger; Chief Engineer Ernest R. Gerlach; Director of Public Relations Jack R. Gilstrap; Thomas J. Reilly of Musick, Peeler & Garrett; Secretary Virginia L. Rees; and the public.

Approval of Subsurface Oil & Gas Lease - Signal Oil and Gas Company, Lessee

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

RESOLVED, that the General Manager, be and he hereby is authorized to execute on behalf of the District the Subsurface Oil and Gas Lease dated October 20, 1964 between the Southern California Rapid Transit District, Lessor, and Signal Oil and Gas Company, Lessee, covering the District property located at 2300 West 54th Street, Los Angeles, for a primary term of ten years at a basic rental of \$60 per acre for the first two years and \$60 per acre per year thereafter; execution of said agreement being conditioned, however, upon ascertainment that the one-sixth royalty payment is the maximum to be obtained thereunder.

#### Temporary Route Diversions

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

RESOLVED, that the temporary route diversions affecting Lines 20, 33, 37, 55, 58, 66, 124 and 127, as described in report dated December 29, 1964 filed with the Secretary, be and the same are hereby ratified and approved.

#### Changes of Bus Stop Zones

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

RESOLVED, that the report dated December 29, 1964 relating to bus stop zones, filed with the Secretary, be and the same is hereby ratified and approved.

#### Report of Purchasing Committee

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

RESOLVED, that the Report of the Purchasing Committee for the period of December 16, 1964 through January 5, 1965, as discussed at this

meeting and attached to these minutes as Exhibit 1, be and the same is hereby ratified and approved, and the appropriate payments are hereby authorized.

Report of Purchasing Agent - Statement of Material and Supplies Account

The Manager of Operations reported that pursuant to Section 8.6 E of the Rules and Regulations, the Purchasing Agent had submitted Statement of Material and Supplies Account for the month of November, 1964, a copy of which report is on file with the Secretary.

Changes of Route Description - Line Nos. 5 and 7

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

RESOLVED, that the Manager of Operations be and he hereby is authorized to make those changes in route on Line Nos. 5 and 7, as discussed at this meeting and as described in report dated December 22, 1964 filed with the Secretary, effective as of January 7, 1965; subject to the prior approval of the Consulting Engineer;

RESOLVED FURTHER, that the Manager of Operations be and he hereby is authorized to make appropriate revisions in the Official Route Authorizations of the District as adopted November 5, 1964 to reflect the above changes in route description.

Approval of Requisition No. IR-38

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

RESOLVED, that Requisition No. IR-38, covering 8,000 celluloid Employee Identification Badges, at

a cost not to exceed \$1,002.56, be and the same is hereby approved.

Allocation of Operating Revenues - Ratification of Action

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

RESOLVED, that the following letter dated January 5, 1965 directed by H. L. Black, Treasurer, to the Trustee of the Trust Indenture dated as of January 1, 1958, be and the same is hereby ratified and approved:

"The actual disbursements from the Operation Fund for the calendar year 1964 are now known. In accordance with my letter of December 16, 1964 in reference to the formula allocation, please transfer in total for the year 1964 from the Revenue Fund to the following funds the amounts listed:

Operation Fund	\$37,008,585.91
Interest Fund	2,066,250.00
Bond Retirement Fund	1,091,666.68
Depreciation Reserve Fund	3,523,174.16
General Fund	350,000.00
Total Revenue	<u>\$44,039,676.75</u>

The total transfers for 1964 will meet the requirements of the Trust Indenture dated January 1, 1958 with respect to the various funds."

Establishment of Office of, and appointment of General Counsel

Director Allen, Chairman of the Personnel Committee, reported to the meeting the Committee's recommendation for the appointment of a General Counsel for the District, a copy of which report is filed with the Secretary.

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

RESOLVED, that compensation for the office of General Counsel be and it hereby is fixed at the rate of \$18,000.00 per year;

RESOLVED FURTHER, that Mr. Milton McKay be and he hereby is appointed to the office of General Counsel on a permanent basis, effective as of January 25, 1965, to serve at the pleasure of the Board of Directors.

#### Report of Manager of Operations

The Manager of Operations reported on the results of the December 1964 operations, including the New Year's Day operations to the Rose Parade, Rose Bowl and Santa Anita Race Track. A copy of the report is filed with the Secretary.

#### Report Relating to District's Car Card Advertising Program

Director Newcomb, Chairman of the Public Information Committee, introduced Mr. Kingsley J. Huggett, Vice President and General Manager of Metro Transit Advertising Company, the firm handling the District's advertising program on the inside and outside of the buses. Mr. Huggett presented a brief report on the activities of his organization and the revenue results to the District from bus advertising over the past year, and predicted continued increased revenue for the next four years.

#### Report of Committee on Property and Casualty Insurance

Director Bill, Chairman of the Committee on Property and Casualty Insurance, reported briefly on the Committee's review of the method of administration of the District's insurance

program, particularly as to the fire insurance policy and the public liability and property damage coverage carried by Transit Casualty Company. A copy of the report is filed with the Secretary.

Next Regular Meeting

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

RESOLVED, that the next regular meeting of the District be held at the Board of Supervisors' Hearing Room, 500 West Temple Street, Los Angeles, at 10:30 a.m. on January 20, 1965.

There being no further business, the meeting adjourned.

VIRGINIA L. REES

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Secretary