

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

July 1, 1969

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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 July 1, 1969, at which time President Kermit M. Bill called the meeting to order.

Directors Kermit M. Bill, Charles E. Compton, A. J. Eyraud, Jr., Leonard S. Gleckman, David K. Hayward, Herbert H. Krauch, Michael E. Macke, Don C. McMillan, Thomas G. Neusom and Douglas A. Newcomb were present. Director Norman Topping was 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 Meetings held May 20, June 3 and June 17, 1969 were approved.

Certificate of Merit

Director Hayward presented the District's Certificate of Merit to William K. Holsberry, Operator-of-the-Month for June, 1969 in recognition of the outstanding courtesy displayed by Mr. Holsberry toward his passengers and the public.

Temporary Route Diversions

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

RESOLUTION NO. R-69-150

RESOLVED, that the temporary route diversions caused by construction work affecting Lines 3, 4, 26, 28, 30, 45, 58, 59, 76, 102, 108 and 117, as described in report dated June 23, 1969 filed with the Secretary, be and the same are hereby ratified and approved.

Changes of Bus Stop Zones

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

RESOLUTION NO. R-69-151

RESOLVED, that the report dated June 23, 1969 relating to bus stop changes, filed with the Secretary, be and the same is hereby ratified and approved.

Approval of Revised Authorization For Expenditure No. 416

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-69-152

WHEREAS, on April 25, 1969 the Board of Directors approved Authorization For Expenditure No. 416, covering the purchase and installation of 1500 locked type fare boxes and 1500 spare cash vaults, at a cost not to exceed \$589,850.00; and

WHEREAS, by letter dated June 18, 1969 the Urban Mass Transportation Administration of the Department of Transportation advised that the District's application dated February 20, 1969 for a capital improvement grant, to finance in part the Exact Fare Program, under the Urban Mass Transportation Act of 1964 as amended was approved in the maximum amount of \$597,833.00, a copy of which letter dated June 18, 1969 is attached to these Minutes as Exhibit 1; and

WHEREAS, Authorization For Expenditure No. 416 has been revised to include, in addition to the purchase and installation of the locked type fare boxes and cash vaults, the auxiliary equipment necessary for the implementation of the Exact Fare Program, and the engineering and construction of central cash counting room and local storage buildings required for Exact Fare Program, at a total cost not to exceed \$899,750.00, in order to conform with the accounting procedures of the Department of Transportation capital improvement grant approved June 18, 1969; and

WHEREAS, the Surface Operations Committee on June 30, 1969 considered the General Manager's recommendation to approve:

Revised Authorization For Expenditure No. 416, covering the purchase and installation of locked type fare boxes, cash vaults and auxiliary equipment necessary for the implementation of Exact Fare Program, and engineering and construction of central cash counting room and local storage buildings required for Exact Fare Program, at a cost not to exceed \$899,750.00,

and concurred in the recommendation, subject to approval of the General Counsel;

NOW, THEREFORE, BE IT RESOLVED, that Revised Authorization For Expenditure No. 416, covering the purchase and installation of locked type fare boxes, cash vaults and auxiliary equipment necessary for the implementation of Exact Fare Program, and engineering and construction of central cash counting

room and local storage buildings required for Exact Fare Program, at a cost not to exceed \$899,750.00 (to be funded in part by a Capital Improvement Grant under the Urban Mass Transportation Act of 1964 as amended, in accordance with UMTA's letter of June 18, 1969), be and the same is hereby approved.

Approval of Authorization For Expenditure No. 423 - Reconstruction of Building #234 at Macy Yard

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-69-153

WHEREAS, Building #234 located at the District's Macy Yards property was damaged by fire on September 21, 1968; and

WHEREAS, the sum of \$78,299.02 is available in insurance proceeds held in the Depreciation Reserve Account to be applied to the reconstruction of said building; and

WHEREAS, the District has an opportunity to negotiate a lease of Building #234 at said Macy Yards, as well as of additional uncommitted yard area, provided the fire damaged portions of said building are restored; and

WHEREAS, the Surface Operations Committee on June 30, 1969 considered the General Manager's recommendation to approve:

- a. Authorization For Expenditure No. 423, covering reconstruction of Building #234 at the Macy Yards, at a cost not to exceed \$78,000.00, and that the Purchasing Agent be authorized to issue invitations to bid for said construction work, but
- b. That award of bid for construction work is not to be made until a study of bid prices has been completed and the Board of Directors has acted upon a lease agreement proposal covering the premises to be reconstructed,

and the Committee approved the General Manager's recommendation;

NOW, THEREFORE, BE IT RESOLVED, that Authorization For Expenditure No. 423, covering the reconstruction and repairs to Building #234, Division 15 (886 North Mission Road, Los Angeles), to repair the fire damage and restore the building to its "as was" condition prior to the major structural fire which occurred on Saturday, September 21, 1968, at a cost not to exceed \$78,000.00, be and the same is hereby approved;

RESOLVED FURTHER, that the Purchasing Agent be and he hereby is authorized to issue invitations to bid for the reconstruction of said Building #234, but that award of bid for construction work shall not be made until a study of bid prices has been completed and the Board of Directors has acted upon a lease agreement proposal covering the premises to be reconstructed.

Approval of Requisition No. 3100-287 - Appraisal of Macy Yard 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-69-154

WHEREAS, the Surface Operations Committee on June 30, 1969 considered the General Manager's recommendation to employ the services of an independent appraiser to prepare and submit a narrative report appraisal of the fair market value of the District's property consisting of an area of approximately 16.159 acres located at 740-42 North Mission Road and 886 North Mission Road, Los Angeles, at a cost not to exceed \$4,000.00, which would provide professional guidelines of valuation based upon available market data, and the Committee approved the recommendation;

NOW, THEREFORE, BE IT RESOLVED, that Requisition No. 3100-287, covering the employment of an independent appraiser to prepare and submit a narrative report appraisal of the fair market value of the District's property consisting of an area of

approximately 16.159 acres located at 740-42 North Mission Road and 886 North Mission Road, Los Angeles, at a cost not to exceed \$4,000.00, be and the same is hereby approved.

Approval of Sale of Used Surplus G.M.C. Diesel Coaches -
Community Enterprises, Inc. and Aerospace Coach Lines

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-69-155

WHEREAS, the Surface Operations Committee on June 30, 1969 considered the General Manager's recommendation to sell the following used surplus coaches to:

- a. Community Enterprises, Inc., 11172 Western Avenue, Stanton, California, of two 1951 Model TDH-5103 G.M.C. Diesel Coaches, numbered 2826 and 2843, as is - where is, less tires, at \$2,000.00 per coach, or a total of \$4,000.00, and
- b. Aerospace Coach Lines, 10840 Atlantic Avenue, Lynwood, California, of one 1951 Model TDH-3612 G.M.C. Diesel Coach, numbered 6684, as is - where is, less tires, at \$1,200.00,

subject to payment by the District of a finder's fee of 10% of the total sales price of the above described coaches to American-International Bus Exchange, and it was the Committee's recommendation that the sale of said coaches be approved, subject to approval of the General Counsel;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to sell the following used surplus coaches to:

- a. Community Enterprises, Inc., 11172 Western Avenue, Stanton, California, of two 1951 Model TDH-5103 G.M.C. Diesel Coaches, numbered 2826 and

2843, as is - where is, less tires, at \$2,000.00 per coach, or a total of \$4,000.00, and

- b. Aerospace Coach Lines, 10840 Atlantic Avenue, Lynwood, California, of one 1951 Model TDH-3612 G.M.C. Diesel Coach, numbered 6684, as is - where is, less tires, at \$1,200.00,

subject to payment by the District of a finder's fee of 10% of the total sales price of the above sales to American-International Bus Exchange;

RESOLVED FURTHER, that the Treasurer and/or Assistant Treasurer be and he hereby is authorized to pay to American-International Bus Exchange a finder's fee of 10% of the total sales price of the above described coaches.

The General Manager reported to the meeting the results of his survey of the major transit properties in the United States as to depreciation policy in connection with used surplus buses and also as to the method of selling or disposing of such buses. A copy of the survey is attached to these Minutes as Exhibit 2.

Report of Director Krauch - Institute of Rapid Transit
Annual Meeting in Chicago, June 25-27, 1969

Director Krauch, as Vice Chairman of the Public Information & Marketing Committee, reported on his attendance at the Annual Meeting of the Institute of Rapid Transit held in Chicago on June 25-27, 1969, as follows:

"The Institute of Rapid Transit meeting in Chicago was attended by Jack Gilstrap representing Sam Nelson; Dick Gallagher, our Chief Engineer; Director Leonard Gleckman, and myself.

So far as I was concerned, the papers, talks and topics discussed were not particularly informative and added little to the knowledge we already have on rapid transit problems.

) "What was more interesting to me in talking with transit people from other areas and listening to speeches was how far Los Angeles is really behind other major cities of the United States in rapid transit development and how little money we have received, and will receive in the immediate future for our bus system or rapid transit.

Our transit system is getting peanut grants from the federal government while other cities are getting millions. Mr. Villarreal in his talk before the convention announced a \$25 million grant to Chicago and a \$50 million grant to Boston. And Los Angeles is the third largest city in the nation.

The highlight of the convention was a ride on a rapid transit train with Mayor Daley down the middle of the Ryan Expressway from 35th to 95th Street with four lane automobile freeways on each side of the double track rail lines.

When completed in October, this line will start from downtown and extend for 10 miles to 95th Street.

A similar rapid transit line is under construction in the middle of the Kennedy Expressway for a distance of 15 miles going northwest toward the O'Hare Airport.

At least in Chicago they had the foresight to leave room for the rail transit right of way in the middle of their major freeways.

The rail transit stations are probably the most inexpensive that could possibly be built. Simple bridges span the eight-lane freeways with down and up escalators to reach the covered but otherwise open platforms for boarding the trains.

And, it might interest you to know that through the downtown area, the main freeway is seven and eight lanes wide on each side of the rail lines, and still crowded.

When you see all this, you wonder when Los Angeles is going to wake up because similar systems are being built or expanded in New York, Philadelphia, Cleveland and San Francisco.

I believe Jack Gilstrap might want to make a report on the action taken by the Board of Directors of the Institute of Rapid Transit in connection with financing for mass transit by the federal government."

Assistant General Manager for Rapid Transit Development
Jack R. Gilstrap thereupon reported that the Board of Directors has very deeply involved the Institute in the transit trust fund legislation now pending before Congress, and at the Annual Meeting reorganized the IRT staff structure to establish the position of Vice President & Executive Director for a high level qualified man, with experience in Washington, to develop strategy in Washington and coordination of the organizational work in the various urban areas represented on the Board of Directors.

Non-Contract Employees - Change in Salary Range of Watchman's Classification & Creation of Additional Position

Upon approval of the ten Directors present, consideration of proposed changes in the Watchman's classification under the District's Position Classification and Salary Plan was added to the Agenda.

Director Krauch, Vice Chairman of the Personnel & Administrative Procedures Committee, reported that the Committee this morning considered the General Manager's recommendation to increase the number of authorized Watchmen's positions from five to six and to increase the Salary Range from 9 to 12, effective as of July 6, 1969, and the Committee unanimously approved the recommendation.

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

RESOLUTION NO. R-69-156

RESOLVED, that the Southern California Rapid Transit District Position Classification and Salary Plan be and hereby is amended, effective July 6, 1969, by increasing the Salary Range of the Watchman's classification from 9 to 12 and the establishment of one additional Watchman's position.

Report of General Manager

General Manager Nelson reported on the activities of the District since the last Regular Meeting on June 17, 1969. A copy of the Report is attached to these Minutes as Exhibit 3.

Report of Robbery and Assault Insurance for Operators

The Secretary read to the meeting the General Manager's memorandum dated July 1, 1969 reporting that the bid had been awarded on the Robbery and Assault Insurance for the District's Operators effective as of July 1, 1969, which was ordered "Received and Filed." A copy of the Memorandum is attached to these Minutes as Exhibit 4.

Appearance of Frederick A. Samaha, Real Estate Broker -
Proposal for Lease of Portion of District's Macy
Street Yards Property for Off-Street Parking Purposes

Upon approval of the ten Directors present, the matter of the appearance of Mr. Frederick A. Samaha, a Real Estate Broker, of 1987 Whitley Avenue, Hollywood, was added to the Agenda.

Mr. Frederick A. Samaha presented to the meeting his proposal for a lease of a portion of the District's Division No. 15 (Macy Street Yard) for off-street parking purposes, a copy of which is filed with the Secretary, and protested the

) rejection thereof by the District's Real Property Manager since it had been determined that the proposal was not in the best interests of the District at this time and, further, that it appeared appropriate at this time to obtain an independent appraisal of the property (hereinabove authorized).

After discussion, on motion of Director Hayward, seconded and unanimously carried, the proposal of Mr. Samaha as presented to the meeting was ordered "Received and Filed."

Next Regular Meeting

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

RESOLUTION NO. R-69-157

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, July 15, 1969, at 10:00 a.m.

There being no further business, the meeting adjourned.

VIRGINIA L. REES

Secretary



DEPARTMENT OF TRANSPORTATION
URBAN MASS TRANSPORTATION ADMINISTRATION
WASHINGTON, D.C. 20590

OFFICE OF
THE ADMINISTRATOR

JUN 18 1969

Mr. Samuel B. Nelson
General Manager
Southern California Rapid
Transit District
1060 South Broadway
Los Angeles, California 90015

Re: Project No. CAL-UTG-24

Dear Mr. Nelson:

I am pleased to advise you that the application of the Southern California Rapid Transit District for a capital improvement grant under the Urban Mass Transportation Act of 1964 as amended has been approved in the maximum amount of \$597,833.

Until the planning requirements specified in Section 4(a) of the Act are satisfied, capital grant payments cannot exceed 50 percent or \$448,375 and the local share of the project cost will be 50 percent or \$448,375. Upon completion of the prescribed planning program within three years of the date of the Federal grant contract the sum of \$149,458 may be paid to the Southern California Rapid Transit District in order to effect participation on a 2/3-Federal, 1/3-local fund basis.

We have reserved funds in the amount of \$597,833 for this project. Two copies of the approved project budget are attached.

All DOT procedural and contract requirements must be met in soliciting bids and awarding contracts, including review and prior concurrence by the Urban Mass Transportation Administration. To assist your staff in administering the project, we are also enclosing two copies of our "Procedural Guide for Approved Grant Projects" and the "Accounting Procedures."

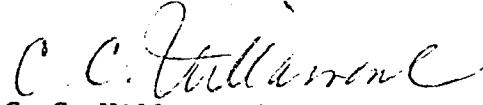
A grant contract will be forwarded to you in the near future.

JUN 24 1969

S. B. N.

We are looking forward to working with you in carrying out this worthwhile project.

Sincerely,



C. C. Villarreal
Administrator

Enclosures

APPROVED PROJECT BUDGET

Project No. CAL-UTG-24
Southern California Rapid Transit District (SCRTD),
Los Angeles, California

June 1969

1500 new locked type fare boxes at \$297.50 each	\$446,250	
1500 additional new cash vaults at \$ 46.50 each	69,750	
Subtotal fare boxes & vaults	<u>516,000</u>	
Sales tax (5%)	25,800	
Delivery & installation	<u>48,050</u>	
 Total fare boxes & vaults		 \$589,850
 2 armored van type trucks for transporting cash vaults	 54,000	
80 cash vault carts for storage and transportation of cash vaults	64,000	
Ticket and coin separating, counting & wrapping equipment for central counting room	22,000	
Closed circuit TV system with video tape recorder for central counting room	15,000	
3 information and token sales booths for downtown area	6,600	
Automatic token dispensing machines	3,000	
Subtotal equipment	<u>164,600</u>	
Sales tax (5%)	8,200	
Contengencies (5%)	<u>8,600</u>	
 Total equipment for exact fare program		 \$181,400
 Central cash counting room	 84,200	
Local storage buildings for carts	27,000	
Subtotal construction	<u>111,200</u>	
Engineering & supervision (5%)	5,600	
Contingencies (10%)	<u>11,700</u>	
 Total construction for exact fare program		 \$128,500
 Estimated Gross Project Cost		 \$899,750
 Less revenue financing		 <u>- 3,000</u>
 Estimated Net Project Cost		 \$896,750

L11111

APPROVED FINANCING

Approved net project cost	\$896,750
Local share (1/2 of net project cost)	<u>-448,375</u>
Federal grant (1/2 of net project cost)	448,375
Additional Federal grant of 1/6 payable when Section 4(a) requirements are met	<u>149,458</u>
Maximum Federal funds to be expended	\$597,833



**SOUTHERN CALIFORNIA
RAPID TRANSIT DISTRICT**

1060 SOUTH BROADWAY • LOS ANGELES, CALIFORNIA 90015 • TELEPHONE (213) 749-6977

SAMUEL B. NELSON
GENERAL MANAGER

June 28, 1969

TO ALL DIRECTORS OF THE SOUTHERN CALIFORNIA
RAPID TRANSIT DISTRICT

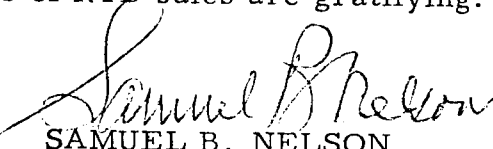
SUBJECT: Survey of depreciation policy and results of used surplus bus sales

Members of the Surface Operations Committee were recently informed that it was the General Manager's intent to make a survey of various transit properties to ascertain their experiences in the selling of used surplus buses. This project has now been completed. The letter of inquiry to each Company also asked for depreciation policy and method of disposing of used buses. One of the inquiry letters is attached.

All replies have been tabulated and a copy is enclosed for your information.

It will be noted that, except for some buses sold by Cleveland which were only 12 and 13 year's old, RTD average sales prices are much higher than those on other properties. One of the principal reasons for this is our high standard of maintenance. Another important factor is weather conditions. Eastern properties, especially, operate under adverse conditions where snow and salt cause equipment to rust out and lowers re-sale values.

It is my feeling that with the Federal assistance many properties are receiving for the purchase of new equipment, thus reducing the market for the sale of used buses, the results of RTD sales are gratifying.


SAMUEL B. NELSON
General Manager

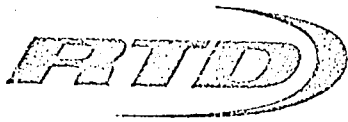
Attachments

Southern California Rapid Transit District

SURVEY OF U.S. TRANSIT PROPERTIES
DEPRECIATION POLICY, METHOD OF DISPOSING OF,
AND AVERAGE SALE PRICES OF USED SURPLUS BUSES

COMPANY	DEPRECIATION POLICY	METHOD OF DISPOSITION	DESCRIPTION AND AVERAGE AGE OF EQUIPMENT SOLD	AVERAGE SALE PRICES OR NOTES REGARDING SALES
Baltimore Transit Company	15 years	--	--	No recent sales. Since 1961 only coaches disposed of were 165 ACF sold for scrap with highest sale \$250.
MBTA, Boston	12 years	Public Bid	187 buses - 16 years	\$100 per bus. Most buses had been "cannibalized", were inoperable and predominantly gasoline.
Chicago Transit Authority	14 years	Public Bid	--	No recent sales. A few years ago some operable buses were sold which brought \$500 to \$1100, depending on condition.
Cleveland Transit System	15 years	Public Bid	30 GMC-3714 13 years 49 GMC-4512 12 years	\$2,372 \$3,082
Dept. of Street Railways, Detroit	12 years with 4% salvage value	Public Bid	61 buses between 12 & 15 years 69 buses between 21 & 23 years	\$634 \$108 (Scrap metal bid)
New York City Transit Authority	None	Public Bid	--	Average age of buses disposed of is 13 years. Motors and torque converters are removed and remaining bus shells are sold for scrap on sealed bids.
ACTD, Oakland	15 years	Public Bid and advertising	31 TDH-4507 21 years	Presently for sale. Will advertise and reject offers not deemed satisfactory. Sales will then be by negotiation after an appropriate minimum bid figure has been established.
Southeastern Pennsylvania Transit Authority, Philadelphia	16 years	Public Bid	--	Last sales were for 22-year old buses and averaged \$50 each. Many had been "cannibalized" for spare parts. In 1965 a few 18-year old buses were sold for reuse at prices from \$150 to \$250.
Port Authority of Allegheny County, Transit Division Pittsburgh	15 years	Public Bid	--	No recent sales.
Bi-State Transit System, St. Louis	15 years	Public Bid	48 19 to 22 years 27 15 to 21 years	Sold in 1967 - Average sale price - \$283. Sold in 1966 - Average sale price - \$310.
Seattle Transit System	15 years	--	--	No sales since 1958. Estimated that older coaches would produce only scrap value.
SCRTD - Los Angeles	14 years	Public Bid	54 TDH-5103 18 yrs. 1 TDH-4507 21 yrs. 1 TDH-3610 21 yrs. 2 TDH-3612 17 yrs.	\$1,791 \$1,551 \$1,061 \$1,010

Office of General Manager
June 20, 1969



SOUTHERN CALIFORNIA
RAPID TRANSIT DISTRICT

1060 SOUTH BROADWAY • LOS ANGELES, CALIFORNIA 90015 • TELEPHONE (213) 749-6977

SAMUEL B. NELSON
GENERAL MANAGER

May 20, 1969

Mr. Daniel T. Scannell,
Executive Officer,
New York City Transit Authority
370 Jay Street
New York, New York 11201

Dear Mr. Scannell:

The Southern California Rapid Transit District has a policy of depreciating buses on a fourteen year life basis and then disposing of used surplus equipment at public bid, with the average age of buses sold being about eighteen years. Selling at public bid, prices per bus will vary from \$1,200.00 to \$2,000.00 per bus according to age and condition with the average being about \$1,800.00 in the present market.

Would you be kind enough to advise me as to the policy of the New York City Transit Authority with respect to depreciation and your method of disposing of surplus equipment, together with average sale prices?

Whatever information you can furnish will be sincerely appreciated. In turn, if there is information that we can furnish you at any time, please let me know.

Sincerely,

Original Signed by
Samuel B. Nelson
SAMUEL B. NELSON
General Manager

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

General Manager's Report
For Board Meeting, July 1, 1969

Activities involving the Federal, State and City governments, along with Chambers of Commerce, highlighted my calendar since I last reported to you.

As you know, Carlos C. Villarreal, the administrator of the Urban Mass Transportation Administration, was in Los Angeles June 18 to announce the award, to the District, of a \$448,375 grant to help fund the purchase of locked fare boxes and other Exact Fare facilities. The District coordinated with staff members from UMTA, and from the office of Transportation Secretary John A. Volpe, in programming the announcement of the fare box grant and Mr. Villarreal's various appearances in the Los Angeles area. President Kermit Bill and I joined Mr. Villarreal for the press conference attended by major print and broadcast media; I also joined the UMTA administrator for interviews with KTLA Television and on the KHJ-TV Tempo show. The General Manager also escorted the UMTA administrator for his appearance before the Board of Directors of the Los Angeles Area Chamber of Commerce and on a helicopter, which was provided by the U. S. Coast Guard, tour of the proposed San Bernardino Freeway Express Busway.

I was present yesterday at a luncheon meeting of the Los Angeles Area Chamber of Commerce Transportation Committee, where the proposed federal transit trust fund legislation was discussed and also the proposed legislation by Assemblyman Peter F. Schabarum which has an affect upon this District.

On June 17, the Los Angeles County Board of Supervisors adopted a resolution favoring the trust fund legislation. The Supervisors sent word on their position to President Nixon, Transportation Secretary Volpe and to the Los Angeles County delegation in Congress. I have written a letter of appreciation to Supervisor Debs, chairman of the Board of Supervisors. I have also wired President Nixon urging he give strong support to the proposal to establish a federal transit trust fund.

Mr. Gilstrap and I appeared in Sacramento on June 17, when the Assembly Ways & Means Committee gave a "do pass" approval to Assemblyman Lanterman's bill (AB 2136) for a six-month, as you know, one-half cent sales tax for the benefit of the District and the county's municipally-owned bus lines. I, and other staff members, are continuing to appear before city councils, chambers of commerce and other groups in seeking support for AB 2136. The legislation is now supported by, among other groups, the County Board of Supervisors, the Los Angeles City Council, the Cities of Beverly Hills, El Monte, Long Beach, Monterey Park and Sierra Madre, the Greater Los Angeles Urban Coalition, the Los Angeles County AFL-CIO Central Labor Council, the Los Angeles County Division League of California Cities, the Automobile Club of

Southern California. I have continued to meet with various media officials to discuss RTD's legislative program and the District's current projects. At the South Bay Daily Breeze, I met with Publisher Bob Curry and Editor Sam Stewart; at the Hollywood Citizen News, I met with Co-Publisher Les Benson, and Editorial Writer Harold Hubbard. I also met with Robert McClure, Publisher of the Santa Monica Evening Outlook.

In other Sacramento activities, Mr. Gilstrap and I appeared before the Senate Public Utilities Committee, on June 23, for a hearing on the District's charter legislation, AB 1129. The District was amended out of the bill and Santa Clara District was amended in the bill, so the bill is not dead. It will go back to the Assembly and was an unusual tactical move on the part of the senators, and, of course, the private charter operators who appeared in force to oppose this bill, and it came totally as a surprise. An amendment was presented by none other than our senator from San Pedro, Mr. Ralph C. Dills, that we be amended out of the bill being the only transit operator in the state that does not now have charter privileges. He proceeded to amend us out of the bill and amended Santa Clara into the bill. It will go back to the Assembly, and we will have an opportunity on the floor of the Assembly or maybe in Committee Assembly to put it back in. At least it is not completely dead.

Last Friday I met in Sacramento with Mr. Albert C. Beeson, who is chairman of the Fact Finding Committee appointed by the Governor at which time we met with Casper Weinberger, State Director of Finance and also his chief deputy, Kirk West. We also met with Senator Vernon L. Sturgeon to explain the need for the support of this legislation, the Lanterman Bill (AB 2136), by the Governor. We believe that we made satisfactory presentations. I should report in that connection that the Commission appointed by the Governor submitted their report late last evening to the Governor, and it is my understanding that copies are being forwarded to both parties. I think we should receive them either today or tomorrow.

Directors Gleckman and Krauch, as previously reported, along with Mr. Gallagher and Mr. Gilstrap, were in Chicago June 25 and 26 for the annual meeting of the Institute of Rapid Transit. It's unfortunate that Director Neusom could not have attended.

Last week I appointed staff committees which will review major items prior to submission to the General Manager for presentation to the Board of Directors. These committees correspond to the present Board committees. I had previously appointed an Express Busway Committee to coordinate all phases of this proposed San Bernardino Express Busway from El Monte to Los Angeles. I believe this will expedite and also make more meaningful some of the matters that are presented to the Board in the future.

Each Board member has been sent a copy of the survey, which I referred to earlier, concerning depreciation practices, methods of

