

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

June 23, 1965

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 9:30 a.m. on June 23, 1965, at which time President Harry A. Faull called the meeting to order.

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

Also present were General Manager C. M. Gilliss; Manager of Operations Cone T. Bass; General Counsel Milton McKay; Treasurer and Auditor H. L. Black; Fiscal Consultant Walter J. Braunschweiger; Chief Engineer Ernest R. Gerlach; Director of Information Guy G. Gifford; Secretary Virginia L. Rees; and the public.

The Minutes of the Regular Meeting held June 16, 1965 were approved.

Approval of Authorization For Expenditure No. 220

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

RESOLVED, that Authorization For Expenditure No. 220, covering the construction of a new Blacksmith Shop at South Park Shops, at a cost not to exceed \$29,500.00, be and the same is hereby approved.

American-International Bus Exchange - Extension of Brokerage Agreement

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

WHEREAS, on May 28, 1963 the Los Angeles Metropolitan Transit Authority (predecessor of Southern California Rapid Transit District) entered into an agreement with American-International Bus Exchange for the exclusive right to sell certain surplus street cars, trolley buses and motor coaches for a one-year period; and

WHEREAS, on May 19, 1964 the Authority (predecessor of District) authorized the extension of the term of said agreement dated May 28, 1963 with American-International Bus Exchange for a period of one year, which expired as of May 27, 1965; and

WHEREAS, American-International Bus Exchange has successfully negotiated the sale of a portion of said surplus equipment, including the sale of 134 PCC street cars, and has established contacts with certain interested purchasers in Europe, Central and South America; and

WHEREAS, the Board now determines that it is to the best interest of the District to extend said agreement dated May 28, 1963 with American-International Bus Exchange for a further term of one year;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he is hereby authorized to execute on behalf of the District a letter agreement with American-International Bus Exchange

extending the term of said agreement dated May 28, 1963 as extended for a further one-year period terminating as of May 27, 1966; form of letter agreement subject to approval of the General Counsel.

Modification of Agreement with Lakewood Oil Service - Pick Up of Waste Oil

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

WHEREAS, on April 10, 1964 the Authority (predecessor to District) entered into an agreement with Lakewood Oil Service, as Buyer, providing for the pick up and purchase of waste oil at 6.51¢ per gallon from the various Authority locations for a two-year period; and

WHEREAS, Lakewood has presented considerable evidence that the market for waste oil has declined to the extent that in some parts of the State former sellers of waste oil are presently paying for the collection thereof; and

WHEREAS, Lakewood by letter dated June 14, 1965 petitioned the District for relief from the price terms contained in said April 10, 1964 agreement, but expressed intention to faithfully execute all other provisions of said agreement;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to execute on behalf of the District a modification of agreement dated April 10, 1964 providing for the release of Lakewood Oil Service from the payment for District's waste oil during the remainder of the term of the agreement, all other terms and conditions to remain in full force and effect; form of modification agreement subject to approval of the General Counsel.

Disposal of Used Obsolete Materials & Supplies and Automotive Parts - GMC Coach Models TDH-4502, TDH-4505 & TDH-4506

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

RESOLVED, that the Purchasing Agent be and he hereby is authorized to dispose of used obsolete materials and supplies, and automotive parts for GMC Coach Models TDH-4502, TDH-4505 and TDH-4506, with an original inventory value of \$27,088.00, at a total price of \$5,000.00.

#### 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 June 9, 1965 through June 22, 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.

#### Small Claims Court - Appointment of Representatives

At the request of General Counsel McKay, consideration of the appointment of individuals to represent the District in the Small Claims Court was put over until the next meeting.

#### Creation of Office of Acting General Manager

Upon approval of the eight Directors present, the matter of considering the creation of the office of Acting General Manager was placed on the agenda. Upon motion of Director Allen, seconded and unanimously carried, it was

RESOLVED, that the office of acting general manager be and hereby is created, being deemed necessary for the continued orderly administration of the affairs of the District during a period in which a vacancy in the office of general manager exists. The acting general manager shall exercise the powers and the duties of the office of general manager during such vacancy. He shall be appointed or removed from office by an affirmative vote of a majority of the members of the board and shall

serve at its pleasure. A vacancy in the office of acting general manager shall exist when the office of general manager is filled by appointment of the board. The person appointed may hold simultaneously another office at the District, but may receive salary from only one office. The acting general manager shall execute contracts, deeds or other documents of the District during such period as he holds office.

Appointment of Cone T. Bass as Acting General Manager

Upon approval of the eight Directors present, the matter of considering the appointment of an Acting General Manager was placed on the agenda. Upon motion of Director Allen, seconded and unanimously carried, it was

RESOLVED, that Mr. Cone T. Bass be and he hereby is appointed Acting General Manager of the District in addition to his duties as Manager of Operations, effective as of July 1, 1965, at a total annual salary of \$37,500.00, to serve at the pleasure of the Board of Directors.

C. M. Gilliss, General Manager, Resigned - Commendation of

After expressions of appreciation by each of the Directors to Mr. C. M. Gilliss for his outstanding performance as General Manager of the District, upon motion duly made, seconded and unanimously carried, the following resolutions were adopted:

WHEREAS, C. M. "Max" GILLISS, on June 30, 1965 is relinquishing the General Managership of the Southern California Rapid Transit District to enter private industry; and

WHEREAS, in becoming Vice President and Partner of Engineering Service Corporation of Los Angeles, he returns to private industry with an outstanding record of success as an administrator in public life; and

WHEREAS, as the first General Manager of the Southern California Rapid Transit District and the second Executive Director of the Los Angeles Metropolitan Transit Authority, he undertook one of the most challenging and difficult assignments facing anyone in public life in California; and

WHEREAS, during the six years between June, 1959 and June, 1965, when he served at the helm of the Los Angeles Metropolitan Transit Authority and the Southern California Rapid Transit District, he has brought into focus and implemented the planning necessary for proceeding to finance rapid transit construction in Los Angeles County; and

WHEREAS, at the same time he has served as chief of a vast bus network serving public transit riders in Los Angeles, Orange, Riverside and San Bernardino Counties of Southern California; and

WHEREAS, he brought with him to his position as Southern California public transit administrator a record of twenty years' service as a public official and transportation administrator in California; and

WHEREAS, this service included tenure as Los Angeles County Road Commissioner; Director of the State Department of Public Works and Chairman of the California Highway Commission, and Assistant Road Commissioner for Riverside County; and

WHEREAS, during the past twenty-five years he has brought credit to his organization and himself through service as a member of such professional organizations as the American Transit Association, American Society of Civil Engineers, the Institute of Traffic Engineers, the American Right-of-Way Association, the American Public Works Association, the American Road Builders Association, the Western Governmental Research Association, among others; and

WHEREAS, despite the burdening responsibilities required of the rapid transit and four-county bus service administrator for Southern California, he has found time to contribute to community, civic and fraternal activities; and

WHEREAS, at the same time he also has devoted his time and energy and talent to the advancement of beginning public service career people; and

WHEREAS, these contributions resulted in his receiving the first Outstanding Public Service Award of the esteemed Coro Foundation;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Southern California Rapid Transit District hereby desires to convey to C. M. "Max" GILLISS, in behalf of the community, its appreciation for his outstanding performance as General Manager of the District; and be it

FURTHER RESOLVED, that this Board of Directors hereby extends to Mr. Gilliss its sincere and heartfelt wishes for his continued success, in good health and happiness.

#### Report of Planned Economies of Operations of the System

Mr. Bass, Manager of Operations, presented a brief general report of proposed "Planned Economies in Operation," in response to the Board's direction at the June 16, 1965 Regular Meeting. A copy of said report dated June 23, 1965 is attached to these Minutes as Exhibit 2.

After discussion, upon motion duly made, seconded and unanimously carried, the report, entitled "Planned Economies in Operation," was ordered received and referred to the Coordinating Committee for a more detailed study and report to the Board.

#### Authorization to Sign Checks

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

RESOLVED, that the Bank of America National Trust and Savings Association as a designated depository of the Southern California Rapid Transit District be and it (including its correspondent banks) is hereby authorized, requested and directed

to honor all checks, drafts or other orders for the payment of money drawn in the District's name on its accounts (including those drawn to the individual order of any person or persons whose names appear thereon as signer or signers thereof) when bearing the facsimile signatures of the following, as indicated:

<u>Signed by:</u>	<u>Countersigned by any one of the following:</u>
H. L. Black, Treasurer	Harry A. Faull, President
J. L. Pujol, Assistant Treasurer	Don C. McMillan, Vice-President
T. V. Collins, Assistant Treasurer	Cone T. Bass, Acting General Manager
W. Taylor, Assistant Treasurer	

and the Bank of America National Trust and Savings Association (including its correspondent banks) shall be entitled to honor and to charge the District for all such checks, drafts or other orders for the payment of money, regardless of by whom or by what means the actual facsimile signature or signatures thereon may have been affixed thereto, if such facsimile signature or signatures resemble the facsimile specimens from time to time filed with the Bank of America National Trust and Savings Association by the Secretary or other officer of the District. That all previous authorizations for the signing and honoring of checks, drafts or other orders for the payment of money drawn on the said Bank of America National Trust and Savings Association by the District are hereby continued in full force and effect as amplified hereby.

RESOLVED FURTHER, that the President and Secretary be and they are hereby authorized to execute a Certificate of Authority of Officers to the Bank of America National Trust and Savings Association certifying that the officers named therein have been duly elected and are now qualified to sign as such officers on behalf of the District; that the specimen signatures appearing opposite the names and titles on the Certificate of Authority of Officers are the genuine signatures of such officers and that the Bank of America National Trust and Savings Association, Corporate Trust Department, is authorized to