

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

June 9, 1970

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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 June 9, 1970, at which time President Herbert H. Krauch called the meeting to order.

Directors 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. Directors Kermit M. Bill 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; Assistant General Manager for Engineering Richard Gallagher; Controller-Auditor-Treasurer H. L. Black; Secretary Virginia L. Rees; and the public.

Certificate of Merit

Director Eyraud presented the District's Certificate of Merit to Bert G. Ruiz, Operator-of-the-Month for May, 1970 in recognition of the outstanding courtesy displayed by Mr. Ruiz 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-70-119

RESOLVED, that the temporary route diversions caused by construction work affecting Lines 6, 18, 37, 38, 40, 44, 86, 111, 120, 124 and 127, as described in report dated May 25, 1970 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-70-120

RESOLVED, that the report dated May 25, 1970 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 Material or Supplies for Stock and for Ordinary Repairs, Submitted June 2, 1970, was presented to the meeting and was ordered "Received and Filed." A copy of the Report is filed with the Secretary.

Approval of Authorization For Expenditure No. 440

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-70-121

WHEREAS, on June 8, 1970 the Surface Operations Committee considered General Manager Samuel B. Nelson's report dated June 5, 1970 recommending approval of Authorization For Expenditure No. 440, covering the purchase of a new heavy duty fully automatic duplicator (mimeograph) to replace worn out machine at a total estimated cost of \$1,185.00, and the Committee concurred in the General Manager's recommendation;

NOW, THEREFORE, BE IT RESOLVED, that Authorization For Expenditure No. 440, covering the purchase of a heavy duty fully automatic duplicator to replace worn out machine at a total estimated cost of \$1,185.00, be and the same is hereby approved.

Approval of Lease Agreement - Coast Leasing Co., Lessee -
Macy Yards 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-70-122

WHEREAS, on May 25, 1970 the Surface Operations Committee considered report dated May 21, 1970 of George F. Goehler, General Manager Pro Tempore, recommending approval of lease agreement between the District and Coast Leasing Co., Lessee, covering an approximately 12,650 square foot parcel of the Macy Yards property, located at the rear and adjacent and contiguous on the southeast to the Southern Pacific Company's premises designated as 860-870 North Mission Road, Los Angeles, for use as an adjunct and enlargement of its truck and trailer leasing operation for a one-year term commencing July 1, 1970 at a monthly rental of \$190.00, subject to cancellation by either party upon the giving of 180 days' written notice at any time after commencement of the lease, with waiver of compliance with Section 9.10 of the Rules and Regulations; form of agreement subject to approval of General Counsel Milton McKay; and

WHEREAS, the Surface Operations Committee concurred in General Manager Pro Tempore Goehler's recommendation;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be, and he hereby is authorized to execute on behalf of the District a lease agreement between the Southern California Rapid Transit District, Lessor, and Coast Leasing Co., Lessee, covering an approximately 12,650 square foot parcel of the Macy Yards property, located at the rear and adjacent and contiguous on the southeast to the Southern Pacific Company's premises designated as 860-870 North Mission Road, Los Angeles, for use as an adjunct and enlargement of its truck and trailer leasing operation for a one-year term commencing July 1, 1970 at a monthly rental of \$190.00, subject to cancellation by either party upon the giving of 180 days' written notice at any time after the commencement of the lease, with waiver of compliance with Section 9.10 of the Rules and Regulations; form of agreement subject to approval of the General Counsel.

March & McLennan, Inc. of St. Louis - Award of Contract
on District's Felonious Assault Blanket Accident
Insurance Coverage

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-70-123

WHEREAS, by Resolution No. R-70-96 adopted April 28, 1970 the Purchasing Agent was authorized to call for bids on the District's felonious assault blanket accident insurance coverage for a three-year term commencing July 1, 1970, at an estimated total cost of \$18,000.00, in accordance with the bid requirements and specifications attached to Requisition No. 3100-395 and pursuant to the Rules and Regulations; and

WHEREAS, on April 30, 1970 the Purchasing Agent issued invitations to bid (Bid No. 5-7022) on the District's felonious assault blanket accident insurance coverage to 17 insurance agencies, and on May 22, 1970 received a total of 9 responses to said

invitations to bid; i.e.,

Marsh & McLennan, Inc. of St. Louis
Marsh & McLennan, Inc. of Los Angeles
Olympic Insurance Agency
Fred S. James Co.
Travelers Insurance Co.
R. A. Rowan & Co.
Marsh & McLennan, Inc. of Los Angeles
Marsh & McLennan, Inc. of Los Angeles
Marsh & McLennan, Inc. of Los Angeles

; and

WHEREAS, the Purchasing Agent has certified Marsh & McLennan, Inc. of St. Louis as the lowest responsible bidder; and

WHEREAS, the Surface Operations Committee on June 8, 1970 considered General Manager Samuel B. Nelson's report dated June 5, 1970, together with the Purchasing Agent's abstract of bids received, recommending that Marsh & McLennan, Inc. of St. Louis be certified as the lowest responsible bidder and awarded the contract covering the District's Felonious Assault Blanket Accident Insurance coverage for a 3-year term commencing July 1, 1970 at an estimated annual cost of \$6,500.00; form of contract subject to approval of General Counsel Milton McKay; and

WHEREAS, a copy of the General Manager's report dated June 5 is attached to these Minutes as Exhibit 1; and

WHEREAS, the Surface Operations Committee concurred in the recommendations of General Manager Nelson;

NOW, THEREFORE, BE IT RESOLVED, that Marsh & McLennan, Inc. of St. Louis be and hereby is awarded the contract for the District's Felonious Assault Blanket Accident Insurance coverage for a 3-year term commencing July 1, 1970 at an estimated annual premium of \$6,500.00; form of contract subject to approval of the General Counsel.

Fred S. James Company - Award of Contract on District's
Blanket Crime and Excess Fidelity Insurance Coverage

After discussion, on motion of Director Compton, Chairman

of the Surface Operations Committee, seconded and carried, the following resolution was adopted:

RESOLUTION NO. R-70-124

WHEREAS, by Resolution No. R-70-95 adopted April 28, 1970 the Purchasing Agent was authorized to call for bids on the District's Blanket Crime and Excess Fidelity Insurance coverage for a three-year term commencing June 23, 1970, at an estimated total cost of \$12,000.00, in accordance with the bid requirements and specifications attached to Requisition No. 3100-394 and pursuant to the Rules and Regulations; and

WHEREAS, on April 30, 1970 the Purchasing Agent issued invitations to bid (Bid No. 5-7022A) on the District's Blanket Crime and Excess Fidelity Insurance coverage to 18 insurance agencies, and on May 22, 1970 received only one response to said invitations to bid; i.e., Fred S. James Company; and

WHEREAS, the Surface Operations Committee on June 8, 1970 considered General Manager Samuel E. Nelson's report dated June 5, 1970 recommending that the Fred S. James Company be awarded the contract covering the District's Blanket Crime and Excess Fidelity Insurance coverage for a three-year term commencing June 23, 1970 at a total cost of \$10,500.00; form of contract subject to approval of the General Counsel; and

WHEREAS, a copy of the General Manager's report dated June 5, 1970 is attached to these Minutes as Exhibit 2; and

WHEREAS, the Surface Operations Committee concurred in the recommendation of the General Manager;

NOW, THEREFORE, BE IT RESOLVED, that Fred S. James Company be and hereby is awarded the contract for the District's Blanket Crime and Excess Fidelity Insurance coverage for a three-year term commencing June 23, 1970 at a total premium of \$10,500.00; form of contract subject to approval of the General Counsel.

Director Hayward requested that it be noted in the record that he had not participated in the discussion on the awarding

of the contract on the Blanket Crime and Excess Fidelity Insurance coverage and had abstained from voting on Resolution No. R-70-124.

Lybrand, Ross Bros. & Montgomery - Approval of Letter Agreement Covering Review of Controls and Accounting for Exact Fare Revenues

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-70-125

WHEREAS, with the inauguration of the Exact Fare Program involving a complete change in the method of handling District revenues, it was the General Manager's recommendation that a study by an independent accounting firm should be made of the entire procedure of revenue flow from the time of deposit in the fare boxes to the deposit in the bank, together with internal controls and security measures presently in effect; such study to include recommendations with respect to the number of clerical positions required and as to whether necessary precautions and protective controls were being taken; and

WHEREAS, on June 8, 1970 the Surface Operations Committee considered and concurred in General Manager Samuel B. Nelson's report dated June 5, 1970 recommending that such a study be conducted by Lybrand, Ross Bros. & Montgomery, Certified Public Accountants, covering a review of the controls and accounting procedures as outlined above, at a cost not to exceed \$2,500.00; form of agreement subject to approval of General Counsel Milton McKay;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to execute on behalf of the District a letter agreement dated June 3, 1970 between the Southern California Rapid Transit District and Lybrand, Ross Bros. & Montgomery, Certified Public Accountants, covering a review of the controls and accounting procedures for the Exact Fare revenues, at a cost not to exceed \$2,500.00, a copy of which letter agreement was presented to the meeting and is attached to these Minutes as Exhibit 3; form of letter agreement subject to approval of the General Counsel.

Approval of Requisition No. 4400-927D - Printing of
1969 Annual Report

After discussion, on motion of Director Macke, Chairman of the Public Information & Marketing Committee, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-70-126

WHEREAS, the Public Information & Marketing Committee this morning considered and concurred in General Manager Samuel B. Nelson's report dated June 8, 1970 recommending approval of Requisition No. 4400-927D, covering the cost of printing 7,500 copies of the District's 1969 Annual Report, in accordance with the specifications attached thereto, at an estimated cost of \$6,000.00, and authorization of the Purchasing Agent to call for bids thereon in accordance with the Rules and Regulations and to award contract therefor to the lowest responsible bidder; form of contract subject to approval of the General Counsel;

NOW, THEREFORE, BE IT RESOLVED, that Requisition No. 4400-927D, covering the cost of printing 7,500 copies of the District's 1969 Annual Report, together with the specifications attached thereto, at an estimated cost of \$6,000.00, be and the same is hereby approved;

RESOLVED FURTHER, that the Purchasing Agent be and he hereby is authorized to call for bids on the printing of 7,500 copies of the District's 1969 Annual Report, in accordance with the specifications attached to said Requisition No. 4400-927D and pursuant to the Rules and Regulations, and to award contract therefor to the lowest responsible bidder; form of contract subject to approval of the General Counsel.

Amendment of Resolution No. R-70-85 Adopted April 7, 1970
Authorizing Filing with Urban Mass Transportation
Administration of an Application for a Demonstration
Grant to Develop & Test a New Diesel Engine Exhaust
Emission Control System, to Provide for District Con-
tribution to Project in Equipment Rental & Labor in
Amount of \$20,004.00

Director Gleckman, Chairman of the Finance & Governmental

Affairs Committee, reported that the Committee this morning considered General Manager Nelson's report dated June 8, 1970 recommending that Resolution No. R-70-85 adopted April 7, 1970, authorizing the filing with the Urban Mass Transportation Administration of an application for a 100% Demonstration Grant in the amount of \$311,617.00 to develop and test on a District bus in conjunction with the Power Systems Division of North American Rockwell Corporation of a new diesel engine exhaust emission control system, be amended to provide for a District contribution to the project in the form of equipment rental and labor in the amount of \$20,004.00.

Chairman Gleckman stated that the Urban Mass Transportation Administration has informed the District that before considering a Demonstration Grant for this project that some participation through local funds is desirable and has requested that the availability of local funds be included in the formal application.

He further stated that the Committee was advised that North American Rockwell is willing to contribute scientific equipment and apparatus in the amount of \$40,837.00, and that the District could contribute equipment rental and labor, in the amount of \$20,004.00, making a total local contribution of \$60,841.00 and a total project budget in the revised application of \$364,075.00.

Chairman Gleckman also reported that the Surface Operations Committee had reviewed the matter and recommended that Resolution No. R-70-85 be amended to provide for the contribution to the project by the District in the amount of \$20,004.00.

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

RESOLUTION NO. R-70-127

UMTA APPLICATION - CATALYTIC MUFFLER
FOR DIESEL ENGINE EXHAUST EMISSIONS

RESOLVED, that Resolution No. R-70-85 adopted April 7, 1970 be and hereby is amended to read, as follows:

Resolution authorizing the filing of an application with the Department of Transportation, United States of America, for a demonstration grant under the Urban Mass Transportation Act of 1964, as Amended.

WHEREAS, the Secretary of Transportation is authorized to make demonstration grants for mass transportation projects;

WHEREAS, the contract for financial assistance will impose certain obligations upon the applicant, including the provision by it of the local share of project costs; and

WHEREAS, it is required by the U. S. Department of Transportation in accordance with the provisions of Title VI of the Civil Rights Act of 1964, that in connection with the filing of an application for Assistance under the Urban Mass Transportation Act of 1964, as Amended, the applicant gives an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the U. S. Department of Transportation requirements thereunder;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southern California Rapid Transit District

1. That the General Manager is authorized to execute and file application on behalf of the Southern California Rapid Transit District with the U. S. Department of Transportation under the Urban Mass Transportation Act of 1964, as Amended, proposing the approval of a demonstration grant in the approximate amount of \$364,075.00 to develop and test a new concept in catalytic mufflers

designed to control diesel engine exhaust emissions; form of application subject to approval of the General Counsel.

2. That the General Manager is authorized to execute and file with such application an assurance or any other document required by the U. S. Department of Transportation effectuating the purposes of Title VI of the Civil Rights Act of 1964.
3. That the General Manager is authorized to contribute to the project in the form of equipment rental and labor in the amount of approximately \$20,004.00 as the District's portion of the local share of the cost of the demonstration grant as more particularly set forth in Schedule B, Line 4, of the Proposed Project Budget, in the subject application.
4. That the General Manager is authorized to furnish such additional information as the U. S. Department of Transportation may require in connection with the application or project.

Amendment of Resolution No. R-70-50 Adopted March 3, 1970
Authorizing the Filing Jointly with Southern California
Association of Governments of an Application with the
Urban Mass Transportation Administration for a Technical
Study Grant to Develop a Transit Improvement and Coordi-
nation Plan and Program for the Los Angeles Region

Director Gleckman, Chairman of the Finance & Governmental Affairs Committee, reported that the Committee this morning considered General Manager Nelson's report dated June 8, 1970 recommending that Resolution No. R-70-50 adopted March 3, 1970, authorizing the filing jointly with SCAG of an application with the Urban Mass Transportation Administration for a technical study grant to develop a transit improvement and coordination plan and program, be amended to authorize the General Manager to expend District services and funds to the amount of

\$105,167.00 as its portion of the local share of the cost of the technical study, which will be funded from Senate Bill No. 2 planning funds.

Chairman Gleckman further stated that the purpose of the authorization is to meet last minute requests of the Urban Mass Transportation Administration in connection with this grant, and that the proposal under consideration today simply amends the resolution adopted on March 3, 1970 to include the amount of planning funds the District will contribute as its portion of the local share, and to authorize the execution of an agreement between the District, SCAG and the California Division of Highways, in order for the Division of Highways to formally commit \$20,000.00 in Highway funds to this project.

And Chairman Gleckman stated that it was the recommendation of the Finance & Governmental Affairs Committee that the matter be approved.

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

RESOLUTION NO. R-70-128

SCRTPD-SCAG
REGIONAL TRANSIT PLANNING PROJECT

RESOLVED, that Resolution No. R-70-50 adopted March 3, 1970 be and hereby is amended to read, as follows:

Resolution authorizing the filing of a joint application with the Department of Transportation, United States of America, for a technical study grant under Section 9 of the Urban Mass Transportation Act of 1964, as Amended.

WHEREAS, the Secretary of Transportation is authorized to make technical study grants for mass transportation

projects;

WHEREAS, the contract for financial assistance will impose certain obligations upon the applicant, including the provision by it of the local share of project costs; and

WHEREAS, it is required by the U. S. Department of Transportation in accordance with the provisions of Title VI of the Civil Rights Act of 1964, that in connection with the filing of an application for assistance under the Urban Mass Transportation Act of 1964, as Amended, the applicant gives an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the U. S. Department of Transportation requirements thereunder:

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southern California Rapid Transit District

1. That the General Manager is authorized to execute and file on behalf of the Southern California Rapid Transit District a joint application between the District and the Southern California Association of Governments with the U. S. Department of Transportation under the Urban Mass Transportation Act of 1964, as Amended, for a Section 9 Technical Study Grant covering joint preparation of transit improvement and coordination plan and program for the Los Angeles Region, development of modal split model for continuing transit planning program and related work as required; form of application subject to approval of the General Counsel.
2. That the General Manager is authorized to execute and file with such application an assurance or any other document required by the U. S. Department of Transportation effectuating the purposes of Title VI of the Civil Rights Act of 1964.
3. That the General Manager is authorized to execute on behalf of the District an agreement with Southern California Association of Governments providing for joint conduct of the Technical study and filing of joint application with the U. S. Department of Transportation, as above described; form of agreement subject to approval of the General Counsel.
4. That the General Manager is authorized to expend District services and funds to the amount of \$105,167 as its portion of the local share of the

cost of the Technical Study as more particularly set forth in Section V, Proposed Project Budget, in the subject application.

5. That the General Manager is authorized to furnish such additional information as the U. S. Department of Transportation may require in connection with the application or project.

Directors Compton, Eyraud, Gleckman, Hayward, Krauch, McMillan, Neusom and Newcomb voted "Aye" on the motion. Director Macke voted "No." The motion carried, and Resolution No. R-70-128 was adopted.

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

RESOLUTION NO. R-70-129

WHEREAS, by Resolution No. R-70-50 the Board of Directors on March 3, 1970 authorized the filing jointly with the Southern California Association of Governments of an application with the Urban Mass Transportation Administration for a technical study grant to develop a transit improvement and coordination plan and program for the Los Angeles Region; and

WHEREAS, the Board of Directors by Resolution No. R-70-128, hereinabove set forth, today amended said Resolution No. R-70-50 to authorize expenditure by the District of its share of the local cost of the study as proposed in the application; and

WHEREAS, as a part of said technical study program the parties desire to enter into a Modal Split Model Study;

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 Developing Modal Split Model" between the Southern California Rapid Transit District, Southern California Association of Governments and the State of California, acting by and through its Business and Transportation Agency, Department of Public Works, Division of Highways, setting forth the rights and

obligations of the parties thereto, a copy of which agreement was presented to the meeting and is filed with the Secretary; form of agreement subject to approval of the General Counsel.

Directors Compton, Eyraud, Gleckman, Hayward, Krauch, McMillan, Neusom and Newcomb voted "Aye" on the motion. Director Macke voted "No." The motion carried, and Resolution No. R-70-129 was adopted.

Public Information & Marketing Committee, Announcement
of Meeting of

Director Macke, Chairman of the Public Information & Marketing Committee, announced that a meeting of the Committee will be held on Monday, June 29, 1970, at 9:30 a.m. to consider the matter of the Metromedia Contract.

Personnel & Administrative Procedures Committee, Announcement
of Meeting of

Director Newcomb, Chairman of the Personnel & Administrative Procedures Committee, announced that a meeting of the Committee will be held immediately following adjournment of the Board Meeting.

Report of General Manager

General Manager Nelson reported on the activities of the District since the Regular Meeting held May 26, 1970. A copy of the Report is attached to these Minutes as Exhibit 4.

Mrs. Marlee Whitcraft, Chairman of Transit Action Committee,
League of Women Voters

President Krauch introduced Mrs. Marlee Whitcraft, new

Chairman of the Transit Action Committee of the League of Women Voters, to the meeting.

Standing Committees - Establishment of Meeting Times & Dates

President Krauch announced that after all Chairmen of the Standing Committees had been contacted, the following times and dates have been established for meetings of the five Standing Committees, effective as of July 1, 1970:

SURFACE OPERATIONS	10:00 A.M. ON MONDAY PRECEDING BOARD MEETING
ADVANCE PLANNING & ENGINEERING	11:00 A.M. ON MONDAY PRECEDING BOARD MEETING
PERSONNEL & ADMINISTRATIVE PROCEDURES	2:00 P.M. ON MONDAY PRECEDING BOARD MEETING
FINANCE & GOVERNMENTAL AFFAIRS	9:00 A.M. ON BOARD MEETING DAY
PUBLIC INFORMATION & MARKETING	AT CALL OF CHAIRMAN

EXECUTIVE COMMITTEE	AT CALL OF CHAIRMAN

Secretary Virginia L. Rees - Announcement by President of Retirement as of June 1, 1970, and Continuation of Services as Secretary of Board of Directors and of the District

President Krauch announced that Secretary Virginia L. Rees had reached retirement age on June 1st after forty-five years of devoted service to the District and its predecessor companies and that since she had done such an outstanding job, he had asked her to continue on as Secretary of the Board and the District, to which she had graciously consented.

Adjournment of Regular Meeting Scheduled to be Held on
Tuesday, June 16, 1970

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

RESOLUTION NO. R-70-130

RESOLVED, that the next Regular Meeting of the
Board of Directors scheduled to be held on Tuesday,
June 16, 1970, be and hereby is adjourned to Tuesday,
June 23, 1970, at 10:00 a.m. in the District's Board
Room in the Transit District Building, 1060 South
Broadway, Los Angeles, California.

Adjournment in Memory of The Honorable Patrick D. McGee,
Assemblyman of the 64th District

On motion of Director Compton, seconded and unanimously
carried, the meeting was adjourned in Memory of The Honorable
Patrick D. McGee, Assemblyman of the 64th District, who passed
away on May 27, 1970.

VIRGINIA L. REEF

Secretary

DEPARTMENTAL

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

1080 SOUTH BROADWAY
LOS ANGELES

DO NOT INCLUDE MORE THAN ONE
SUBJECT IN THIS COMMUNICATION

DATE: June 5, 1970

TO: Surface Operations Committee

FROM: Samuel B. Nelson

SUBJECT: Felonious Assault Blanket Accident Insurance Coverage Policy

Attached is copy of abstract outlining bids received covering the District's Felonious Assault Blanket Accident Insurance for a 3-year term commencing July 1, 1970. This insurance covers operating personnel in the event of an assault resulting in death, dismemberment or loss of sight, in a principal sum of \$50,000 per incident.

It will be noted that Marsh & McLennan, Inc. St. Louis is the low bidder with a bid of \$2.50 per year per employee under Class I and \$2.20 per year for Class II employee. The cost of the present policy which was effective prior to the inauguration of the Exact Fare Program was \$2.90 per employee per year for both classes of employees. The annual total cost of the present policy based on the number of employees July 1, 1969, was \$7,180.00 whereas, the annual cost proposed to become effective July 1, 1970 will be approximately \$6,500.

Bids were requested on an annual premium basis with premiums to be paid on each anniversary date. The alternate bid of Marsh & McLennan, Inc. Los Angeles, would require payment of the policy for the full 3-year period commencing July 1, 1970, and is not responsive to the bid invitation. The Staff Purchasing and Surface Operations Committees have recommended that Marsh & McLennan, Inc. St. Louis be awarded the bid as lowest responsible bidder.

Surface Operations Committee:

June 5, 1970

It is the General Manager's recommendation that Marsh & McLennan, Inc., St. Louis, be certified as the lowest responsible bidder and awarded the contract covering the District's Felonious Assault Blanket Accident Insurance for a 3-year term commencing July 1, 1970 at an estimated annual cost of \$6,500, with form of contract subject to approval of the General Counsel.

Samuel B. Nelson
SAMUEL B. NELSON
General Manager

Attachment

DATE May 25, 1970

BID NO. 5-7022

ABSTRACT OF PROPOSALS
10/68
RFD 37.85

Bids out 4-30
Bids open 4-30

Agency	PRICE	Fred S. James Co.	Travelers Ins. Co.	R. A. Rowan & Co.	Marsh & McLennan Los Angeles	Marsh & McLennan Los Angeles	Marsh & McLennan Los Angeles
American Home	2.75	2.90	2.90	2.90	2.90	4.00	4.37
Travelers	2.75	2.90	2.90	2.90	2.90	4.00	4.53
Travelers							
Continental Casualty							

by certify Marsh & McLennan, Inc., St. Louis as being the
 him
 responsible bidder, and recommend the award to them for total bid price
 ing sales tax of As above

6-2-1970
Date

J. L. Smith
 Director Purchases & Stores

