

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

Minutes of Special Meeting of
the Board of Directors of the District

June 9, 1976

Upon notice duly given, the Board of Directors of the Southern California Rapid Transit District met at a special meeting in the District Board Room, 1060 South Broadway, Los Angeles, California, at 10:40 a.m. on June 9, 1976, at which time President Byron E. Cook called the meeting to order.

Directors present:

Byron E. Cook
Marvin L. Holen
Mike Lewis
Thomas G. Neusom

Jay B. Price
Ruth E. Richter
Baxter Ward

Directors absent:

George W. Brewster
Donald Gibbs
Adelina Gregory
George Takei

Staff present:

Jack R. Gilstrap, General Manager
Jack Stubbs, Asst. General Manager for Administration
George L. McDonald, Manager of Planning & Marketing
Richard Gallagher, Manager of Rapid Transit
Richard T. Powers, General Counsel
John S. Wilkens, Manager of Employee Relations
Frank M. Carr, Asst. Controller-Treasurer-Auditor
Robert Williams, Manager of Customer Relations
Michael Olivas, Deputy Admin.-Equal Employment Opportunities
Richard K. Kissick, Secretary

Also present were members of the public and the news media.

President Cook announced that Propositions R and T had lost at yesterday's election and thanked Supervisor/Director Ward for his efforts in connection with attempting to get rapid transit for Los Angeles and that today's meeting was for the purpose of assessing the effect of yesterday's election and the District's plans for the future.

Director Ward expressed his thanks to the Board and staff for placing the measures on the ballot and the efforts that had been devoted by all concerned with respect to the rapid transit proposal. He stated it was his hope that improvement of the bus system would continue and that funds would become available for the Rapid Transit Starter Line.

Director Price stated that implementation of the Grid Systems had provided improved service to the public and the District's concern now was to continue those programs and, hopefully, to make additional improvements.

President Cook requested General Manager Gilstrap to present his report and remarks.

Mr. Gilstrap reported that the election results in 1968, 1974 and 1976 indicated voters did not intend to authorize or pay for construction of a comprehensive rapid transit system in the immediate future. The District must continue its efforts to improve the present bus system, citing the increased ridership of over 40% during the past two years, and to develop the Starter Line concept. Adequate funding is needed to continue the bus improvements County-wide, including

additional buses (300 to 600), and the starter line program also rests upon the funding. He stated we had just received a call from the UMTA Regional Administrator, Dee Jacobs, in San Francisco, who reassured the District that the starter line is a viable project and the federal government is interested in helping to fund the program, so obtaining the local matching funds is important. Mr. Gilstrap stated that at the first meeting of the Board in July, a preliminary report on the alternative analysis will be submitted. With the help of local government, we need to adopt a program, which program will require the local matching funding so that the federal government will look favorably on the application.

Mr. Gilstrap further reported that with respect to bus service, a meeting with the County Board of Supervisors has been arranged at 11:00 a.m. on Tuesday, June 15, 1976.

With respect to the successful passage of Proposition 5 in 1974, it has been difficult to get the local agencies to allocate funds to transit. Local governments in Los Angeles County have never made local commitments of property tax to transit that other counties and cities in the state have.

Other prospective sources of funding include the in-lieu tax which has not been adjusted in approximately 20 years, and there is also the idea of value capture assessment districts in areas or rapid transit stations.

The District recognizes its continued obligation to improve bus services and, at the same time, we realize fare increases mean losses in ridership.

The property tax is a real alternative, especially in view of Senator Mills' statements that RTD has no property tax authorization such as other agencies including BART, Oakland, Sacramento and San Diego.

Federal funds are available for operating and capital expenses but the current levels are not adequate for long range needs. There is also the matter of revenue sharing funds, some of which have been allocated by the County for bus subsidy.

Another possibility for funding is to go to the voters for a one-half cent sales tax for the starter line and on a long term basis to continue reasonable fares and make improvements in the bus system.

Mr. Gilstrap concluded by requesting the Board for policy and direction on the matters at hand.

Director Lewis stated the budget for next year does not include any improvements in service and that he did not see any improvements in the foreseeable future. He felt we should go to the Board of Supervisors with priority programs that the District feels are necessary, and possibly include the \$6.5 million additional Section 5 UMTA funds, the strike mileage funds, etc.

Director Richter inquired if there were any plans for the beach summer service previously operated and Mr. Gilstrap replied there were no plans at the moment since the District has been unable to obtain funding.

Mr. Gilstrap stated he felt that implementing the minimum service guidelines policy recently adopted by the Board, which would require 50-100 more buses, should be reviewed. Other programs that should be reviewed to propose to the Supervisors would include the Wilshire and other reserved lane programs.

Director Neusom inquired if the Board could look at the priorities list prior to the June 15 meeting with the Supervisors, including the dollar costs involved. Director Holen inquired how much County funding would be required if the District accepted the additional \$6.5 million Section 5 funds and Mr. Gilstrap reported about \$8 million. Mr. Holen asked that such a budget be prepared as an alternative. It was pointed out that acceptance of the \$6.5 million now would reduce the funds at the end of a two year period.

The Board discussed the need for the continuance of the County subsidy and the fact that service would deteriorate if County funding is discontinued. Also discussed was the need to submit priorities to the Board of Supervisors. Director Lewis felt that the Supervisors should pay the full cost of any priorities programs adopted or recommended by the Board of Supervisors. Director Neusom felt the District should not lose the gains that have been made as a result of the County funding.

After discussion, it was determined to call a special meeting of the Board at 1:30 p.m. on Monday, June 14, 1976 for the purpose of reviewing priorities to be discussed with the County Board of Supervisors.

The meeting was adjourned at 11:15 a.m.


Secretary