

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

March 19, 1974

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 10:30 a.m. on March 19, 1974, at which time President Thomas G. Neusom called the meeting to order.

Directors Arthur Baldonado, George W. Brewster, Hugh C. Carter, Victor M. Carter, Byron E. Cook, Adelina Gregory, Don C. McMillan, Thomas G. Neusom, Jay B. Price and George Takei responded to roll call. Director A. J. Eyraud, Jr. entered the meeting at 10:58 a.m.

Also present were General Manager Jack R. Gilstrap; Assistant General Manager for Administration Jack Stubbs; Manager of Operations George W. Heinle; General Counsel Richard T. Powers; Manager of Planning & Marketing George L. McDonald; Controller-Treasurer-Auditor Joe B. Scatchard; Chief Engineer Richard Gallagher; Secretary Richard Kissick, and the public.

President Neusom announced that Director Jay B. Price had been elected Mayor of the City of Bell following his re-election to a four-year term as Councilman of the City. He also announced that Director Adelina Gregory had recently been

) elected Vice-Mayor of the City of Baldwin Park.

Approval of Items 1 Through 12, but Excluding Item 6, as Listed on
the Consent Calendar

On motion of Director Baldonado, Vice-Chairman of the Surface Operations Committee, seconded and unanimously carried, the following resolutions were adopted and/or actions taken:

The Minutes of the Regular Meeting held February 19, 1974 were approved.

RESOLUTION NO. R-74-102

RESOLVED, that the temporary route diversions caused by construction work affecting Line Nos. 42, 54, 100, 114, 123, 138, 149 and 403 as described in report dated March 11, 1974 filed with the Secretary, be and the same are hereby ratified and approved.

RESOLUTION NO. R-74-103

RESOLVED, that the report dated March 11, 1974 relating to bus stop changes filed with the Secretary, be and the same is hereby ratified and approved.

RESOLUTION NO. R-74-104

WHEREAS, on March 18, 1974 the Surface Operations-Advance Planning & Marketing Joint Committee considered and concurred in the report dated March 5, 1974, a copy of which is filed with the Secretary, recommending minor route modifications of Lines 61, 64, 70, 71, 107 and 108 within the City of Pasadena which have been operating on temporary routings due to construction of Foothill Freeway;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to make appropriate revisions of the Official Route Descriptions adopted November 4, 1964, as amended, to include Fourth Revised Page 61, First Revised Page 64, Fifth Revised Page 70, Fifth Revised Page 71, First Revised Page 107 and First Revised Page 108, to become effective March 20, 1974; subject to prior approval of the Consulting Engineer.

RESOLUTION NO. R-74-105

WHEREAS, on March 18, 1974 the Surface Operations-Advance

Planning & Marketing Joint Committee considered and concurred in the report dated March 8, 1974, a copy of which is filed with the Secretary, recommending a route modification and extension of Line No. 77 - Maywood-Bell to serve an industrial complex being developed on Slauson Avenue easterly of Eastern Avenue;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to make appropriate revisions of the Official Route Descriptions adopted November 4, 1964, as amended, to include Third Revised Page 77, to become effective April 21, 1974; subject to prior approval of the Consulting Engineer.

RESOLUTION NO. R-74-106

WHEREAS, on March 18, 1974 the Surface Operations-Advance Planning & Marketing Joint Committee and the Finance Committee considered and concurred in the report dated March 15, 1974, a copy of which is filed with the Secretary, recommending acceptance of a right-of-entry from the Southern Pacific Transportation Company permitting the District to commence construction of the El Monte Busway Hospital Station on its property pending purchase by CalTrans of the subject property;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to accept on behalf of the District a right of entry from Southern Pacific Transportation Company of property required in connection with the construction of the El Monte Busway Hospital Station as indicated on the map attached to these Minutes as Exhibit 1 and to execute all documents, including a construction and maintenance agreement, necessary to complete this transaction; with form of documents subject to approval of the General Counsel.

RESOLUTION NO. R-74-107

WHEREAS, on March 18, 1974, the Finance Committee considered and concurred in the report dated March 7, 1974, a copy of which is filed with the Secretary, recommending the write-off of an uncollectible receivable in the amount of \$314.00 for passes sold to Academy of Trades after several unsuccessful collection attempts by the District;

NOW, THEREFORE, BE IT RESOLVED, that the Auditor be and he hereby is authorized to write off an uncollectible receivable from the Academy of Trades in the amount of \$314.00.

RESOLUTION NO. R-74-108

WHEREAS, on March 18, 1974, the Surface Operations-Advance Planning & Marketing Joint Committee and the Finance Committee considered and concurred in the report dated March 13, 1974, a copy of which is filed with the Secretary, recommending termination of month to month lease agreement between the District, Lessor, and Zoltan Lazar and Helen Lazar, Lessee, covering the premises at 1070 South Broadway, Los Angeles, as of May 1, 1974, as these premises are now required by the District to provide for an expansion of the District's employee recruitment facilities;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to terminate the month to month lease agreement dated September 2, 1970, upon the giving of not less than thirty (30) days written notice, between the District, Lessor, and Zoltan Lazar and Helen Lazar, Lessee, covering the premises at 1070 South Broadway, Los Angeles, as of May 1, 1974; with form of termination notice subject to approval of the General Counsel.

RESOLUTION NO. R-74-109

WHEREAS, on March 18, 1974, the Surface Operations-Advance Planning & Marketing Joint Committee and the Finance Committee considered and concurred in the report dated March 13, 1974, a copy of which is filed with the Secretary, recommending cancellation of three leases encumbering a major portion of the District's Macy Yards property as it is proposed to reactivate this property as a bus maintenance and operating facility;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to terminate as of October 1, 1974, upon the giving of not less than 180 days written notice, three lease agreements, as hereinafter described, covering portions of the District's Macy Yards property:

Lease agreement dated May 6, 1969, amended September 2, 1969, February 3, 1970, and July 18, 1972, between the District, Lessor, and Webster Delivery Service, Inc., Lessee

Lease agreement dated June 5, 1971, amended June 20, 1972, between the District, Lessor, and Shamrock Processed Base Company, Lessee

Lease agreement dated June 9, 1970, between the District, Lessor, and Coast Leasing Company, Lessee;

with form of termination notices subject to approval of the General Counsel.

The Purchasing Agent's Statement of Purchases over \$1,000.00 for the month of January, 1974, copy of which is filed with the Secretary, was presented and ordered "Received and Filed".

The Operating Report for the month of February, 1974, a copy of which is filed with the Secretary, was presented and ordered "Received and Filed".

Consideration of Route Modification and Extension of Line No. 139 and Appearance of Mr. Dave Elgenson - Carried Over to Next Meeting

Mr. Dave Elgenson, 18546 Clark Street - #12, Tarzana, California, appeared before the Board and requested permission to present an alternative to the proposal submitted by the District staff with regard to modification and extension of Line No. 139.

President Neusom suggested that this item be removed from the Agenda and carried over to the next meeting of the Board so that the staff may study Mr. Elgenson's alternative plan and, if necessary, meet with him on this matter.

Therefore, with the consent of all members present, Item No. 6 on the Agenda, reading as follows, was removed from the Agenda and ordered carried over to the next regular meeting of the Board:

"Consider approval of route modification and extension of Line No. 139 for a six-month trial period, as described in report dated March 8, 1974 filed with the Secretary; subject to approval of the Consulting Engineer."

Approval of Acceptance of Right-of-Way Contract with State of California Covering Purchase of Southern California Gas Company Property in El Monte

After discussion, on motion of Director Victor Carter, Chairman of the Finance Committee, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-74-110

WHEREAS, under Resolution No. R-74-50 adopted February 5, 1974, the General Manager was authorized to file an amendment to Capital Grant Project No. CA-03-0034 requesting additional funds necessary to complete the San Bernardino Express Busway facilities, and including funds necessary to purchase Southern California Gas Company property located at 3354 North Santa Anita Avenue, El Monte; and

WHEREAS, the State of California Department of Transportation (CalTrans), the District's right-of-way agent in this matter, has completed the appraisal and prepared agreements for the entire property and is ready to proceed with the purchase of the property and to turn it over to the District; and

WHEREAS, on March 18, 1974, the Surface Operations-Advance Planning & Marketing Joint Committee and the Finance Committee considered and concurred in the General Manager's report dated March 14, 1974, a copy of which is filed with the Secretary, recommending that the District proceed with the acquisition at this time subject to receiving either approval of, or a letter of no prejudice, from the Urban Mass Transportation Administration;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized on behalf of the District to execute a right-of-way contract with the State of California, Department of Transportation, covering the purchase of the entire Southern California Gas Company property located at 3354 North Santa Anita Avenue, El Monte, adjacent to the El Monte Busway Terminal; subject to approval of, or a letter of no prejudice, from the Urban Mass Transportation Administration; with form of all documents subject to approval of the General Counsel.

Authorization of the General Manager to implement a 25-cent Flat Fare Program in Los Angeles County for a three-month period April 1, 1974 through June 30, 1974

Director Baldonado, reporting for Director Eyraud who chaired the Joint Surface Operations-Advance Planning & Marketing Committee meeting on March 18, reported that the Committee had reviewed the matter of implementing the 25-cent flat fare program to be subsidized by the County of Los Angeles during the period April 1 through June 30, 1974, and that it was the Committee's recommendation that the General Manager's report dated March 15, 1974 be adopted, except that portion of the report recommending the establishment of the additional positions in the Planning Department but including the establishment of the other thirty-nine (39) additional non-contract positions, and amending the report to provide for reduction of the monthly pass from \$12.00 to \$10.00, with no zone stamps, together with reinforcement of the Board's request to the City and County and private businesses in our service area that they implement the staggered work hour program which was formally requested by Board resolution, and so moved, which motion was duly seconded.

Director Gregory stated that at the committee meetings yesterday the Directors listened to the staff reports about the scavenger hunts which were going on for used buses, that she felt some of the buses were not going to be safe to operate, and there are other problems the staff is facing in connection with the implementation of this program, and felt that the hurried 25¢ fare was unacceptable and that she was certainly not looking forward to the problems and complaints that are going to arise, and that the Board should give due

consideration to any actions that are taken today.

Director Cook moved to amend the original motion that the implementation of the plan be deferred to coincide with the next general bond election in November so that if the 90-day subsidy is discontinued by the County the new sales tax will be in effect, or to negotiate a guaranteed subsidy from April 1 through December 31, 1974 so that there will be no gap between June 30 and December 31, 1974, which amended motion was seconded by Director Baldonado.

In expanding on an explanation of his amendment to the motion, Director Cook stated that if a 25-cent fare is instituted district-wide for 90 days and then it is stopped, the public will blame the RTD for it, and this would set the RTD back on all of the improvements they have been making.

Director Baldonado stated that there is no money in our budget to continue that program beyond the 90 days and, to make it realistic and to build up the hopes of the public, it should be continued beyond the June 30 deadline so that it does not affect the voting of the public in November when we will vote on rapid transit, and that it is not worth the risk if it comes to a halt on June 30.

Director Victor Carter stated that he was disappointed in the amendment to the motion; that this is a very important move to the RTD and we should not go back on the offer of the Board of Supervisors, and Director Takei said that he was afraid the amendment would delay our acting on it in the future; that the energy crisis must be responded to expeditiously and we must act quickly, since we have received the fuel allocation from Washington and we are working on getting the

buses and, therefore, we must work vigorously and felt the Board of Supervisors will not discontinue the program.

Director Price supported the original motion and stated that the good faith of the RTD Board would be damaged and would also damage the credibility of the Board; that the public knows it is for a trial period and if the Board of Supervisors drops the program, it will not be on the back of the RTD but on the back of the Board of Supervisors.

Director Hugh Carter said that we talked to the City of Los Angeles, the Legislature and the County of Los Angeles, and the County Board of Supervisors was the only one who came up with financial assistance, and even if the program is discontinued after three months it will have given us the opportunity to demonstrate to our customers what can be done.

Director Brewster felt that the program does offer problems in the way of equipment and manpower, but there are more questions involved such as who is going to be blamed on June 30 if the program ends; that the commitment to be on the streets in eleven days offers problems, and what happens to the additional manpower, equipment, etc. if the program ends on June 30.

General Manager Gilstrap stated that the staff has been working on fuel, manpower, equipment and public information. We will have sufficient operators to operate effective April 1st, with about 150 additional operators to place 150 buses in operation. The balance of manpower required can be accomplished by overtime work. He expanded the above statement as follows:

) Fuel: Met with Mr. Simon in Washington and he has assured us we will have the fuel.

Buses: We have 100 buses in our fleet which can be refurbished and placed in service and they will be safe. An additional 50 buses will be available by speeding up the maintenance program and working overtime, so it is estimated we will have 150 available by April 1st. We are hard at work at that. We are also working on obtaining used buses and there is a possibility of obtaining 128 buses from Atlanta and we will be bidding on those buses. Another possibility is Ft. Worth where 20 buses will be auctioned in the latter part of March or first part of April.

What happens July 1st if the program is discontinued?

The used equipment will be purchased with County funds and should be worth as much as it is now, which should not create a serious risk. None of these buses can, however, be available by April 1st.

Personnel:

Should the program stop on July 1, 1974, some of the 400 or 500 additional staff may have to be laid off which would be according to seniority.

Public understanding and Public information:

We feel there will be a sympathetic ear from the public.

Mr. Gilstrap concluded his statement by saying we can implement the program--that it won't be perfect and we will have a lot of complaints. The staff will be preparing two budgets for adoption by July 1st--one on the basis of no County support and the other based on continuance of the 25-cent fare.

Director Brewster stated that he was relying on the staff to meet the commitments that the staff have made to the Board.

Director Gregory said that the responsibility should not be placed on the staff, but rides with the Board of Directors, and that

the Board had not heard from the department people who will be responsible for putting the buses on the road.

Mr. Howard Watts, 1021 North Mariposa, Los Angeles, appeared before the Board and stated that schedules should be improved; that he does not want crowded conditions, but does want the \$10 monthly pass and free transfers, rather than the proposed 10-cent charge. He is also in favor of the staggered work hours program, and that our telephone information operation should be improved.

President Neusom then stated that he felt the public is well aware of what is being done and what has been proposed by the County to make funds available in this fiscal year, and felt if the experiment is successful that the County will extend the program, and further that this program is looked upon favorably in Washington. He said that contract amendments have been made that have been suggested by the District, and believed the District has the ability to secure the necessary equipment, etc. to commence the program. If the contract needs to be amended even during the 90-day period, the County must be willing to understand our problems. They have acted in good faith and the RTD Board has the responsibility in good faith to make this decision to proceed with it. He felt that everyone involved will understand that if the program is terminated it is not the act of the RTD; that we must accept the challenge and move forward.

Director Eyraud stated that he had worked for sixteen years off and on in an attempt to get programs like this; that there will be problems but it is inconceivable that we should even be debating.

The question was called for on Director Cook's amendment to

the original motion and failed by a vote of 3 to 8. Ayes: Baldonado, Cook and Gregory. Noes: Brewster, Hugh Carter, Victor Carter, Eyraud, McMillan, Neusom, Price and Takei.

The question was then called for on the original motion and carried by a vote of 8 to 3. Ayes: Brewster, Hugh Carter, Victor Carter, Eyraud, McMillan, Neusom, Price and Takei. Noes: Baldonado, Cook and Gregory. Therefore, the following resolution was adopted:

RESOLUTION NO. R-74-111

WHEREAS, under Resolution No. R-74-99 adopted March 4, 1974, this Board of Directors adopted in principle the proposal of the Board of Supervisors of the County of Los Angeles to subsidize the cost of implementing a 25-cent flat fare program, or other negotiated alternatives, in the County of Los Angeles to be implemented on or about April 1, 1974 and to continue through June 30, 1974, subject to the District being able to meet the provisions outlined in the Supervisors' resolution adopted on February 27, 1974 regarding the District's ability to provide sufficient equipment, manpower and fuel requirements of the program, with such costs to include loss of revenue, added costs of extra service, start-up costs and emergency purchases of used buses; and

WHEREAS, on March 18, 1974, the Joint Surface Operations-Advance Planning & Marketing Committee and the Finance Committee considered the General Manager's report dated March 15, 1974 outlining the details of results of negotiations with the County of Los Angeles, recommending execution of a contract with the County together with authorization of the General Manager to recruit and employ additional personnel and obtain equipment to implement the program, and take other actions necessary, and concurred in said report except that portion of the report recommending the establishment of additional positions in the Planning Department and amendment of the report to provide for reduction of the monthly pass from \$12.00 to \$10.00, with no zone stamps;

NOW, THEREFORE, BE IT RESOLVED, that the report of the General Manager dated March 15, 1974, a revised copy of which is attached to these Minutes as Exhibit 2, outlining recommendations to implement a 25-cent flat fare program in Los Angeles County during the period April 1, 1974 through June 30, 1974, be and the same is hereby adopted, including the establishment of thirty-nine (39) new non-contract positions, the establishment of tariffs, and amendment of the report to provide for reduction of the price of the monthly pass from \$12.00 to \$10.00, with no zone stamps;

RESOLVED FURTHER, that the General Manager is authorized to execute on behalf of the District a financial assistance agreement with the County of Los Angeles providing that the County will subsidize the cost of implementing a 25-cent flat fare program within the County in the total amount of \$8,322,800.00, including start-up costs of \$1,550,000.00, during the period April 1, 1974 through June 30, 1974;

RESOLVED FURTHER, that the General Manager is authorized to recruit and employ additional personnel that may be required to implement the 25-cent flat fare program, and to purchase or lease buses and all equipment necessary to implement the program, with bidding requirements waived due to the emergency nature of the program, to amend tariffs and take other actions as necessary to the proper implementation of the program;

RESOLVED FURTHER, that the implementation of the aforementioned program is subject to the prior approval of the Consulting Engineer; with form of all documents subject to approval of the General Counsel;

RESOLVED FURTHER, that this Board of Directors reinforces its request that the County of Los Angeles, together with other governmental agencies and private employers, be urged to continue in their efforts to effect staggered work programs which will aid the District to better handle the increased transit ridership which a reduced fare program will generate;

RESOLVED FURTHER, that negotiations with the County of Los Angeles continue as regards financial assistance needed to continue this 25-cent flat fare next fiscal year and with the recommendations of the District contained in the District's report dated February 4, 1974 concerning the RTD's anticipated deficit in fiscal year 1974-75, the need to exercise the 300-bus purchase option, commuter rail service trial and other important transit improvements with the intent to reach agreement with the County on financial assistance in a timely manner relative to the budget adoption process of both the County and the District.

Following adoption of the above resolution, General Manager

Gilstrap stated that the staff has been working very hard and devoting long hours to the program, which may cause some reports not to be in the order they should be and hoped the Board would bear with the staff during this period.

Director McMillan stated that if the Board had voted this matter down the Board's image would have been very bad.

Director Cook predicted, and he wanted it to be on the record, that the people who are going to subsidize the fare will call the Board a bunch of bungling idiots if it does not work.

Approval of Inclusion of Additional Equipment Requirements in the Application to Urban Mass Transportation Administration for Fourth Quarter Fiscal Year 1974

Director Victor Carter, Chairman of the Finance Committee, reported that on March 13, 1974 the Surface Operations-Advance Planning & Marketing Joint Committee and the Finance Committee had reviewed the General Manager's report dated March 14, 1974, a copy of which is filed with the Secretary, recommending inclusion of additional equipment requirements in the Fourth Quarter Fiscal Year 1974 capital grant application to the Urban Mass Transportation Administration, and that the committees had concurred in the report except to amend the report to exclude any reference to the 25-cent flat fare program.

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

RESOLUTION NO. R-74-112

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

WHEREAS, the Secretary of Transportation is authorized to make 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 accord 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 give 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 an application on behalf of the Southern California Rapid Transit District with the U.S. Department of Transportation, to aid in the financing and purchase of 34 non-revenue vehicles, furniture and training aids and transfer cutters, purchase and installation of fare boxes, head signs and radios and rehabilitation of 200 buses, with said application to be included as a portion of the District's Fourth Quarter Fiscal Year 1974 UMTA application, with said application requesting eighty percent (80%) funding by UMTA.
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 Jack R. Gilstrap, General Manager, is authorized to furnish such additional information as the U.S. Department of Transportation may require in connection with the application or the project.

Authorization to File Claims and Amended Claims for Local Transportation Fund Monies with Southern California Association of Governments

After discussion, on motion of Director Victor Carter, Chairman of the Finance Committee, seconded and unanimously carried, the following resolution was adopted:

