

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

May 20, 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 May 20, 1969, at which time President Kermit M. Bill called the meeting to order.

Directors Kermit M. Bill, Charles E. Compton, Leonard S. Gleckman, David K. Hayward, Herbert H. Krauch, Michael E. Macke, Don C. McMillan, Thomas G. Neusom, Douglas A. Newcomb and Norman Topping were present. Director A. J. Eyraud, Jr. 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 Engineering Richard Gallagher; Controller-Auditor-Treasurer H. L. Black; Director of Rapid Transit Planning John Curtis; Secretary Virginia L. Rees; and the public.

Oath of Office by Vice-President David K. Hayward

Director David K. Hayward, who was elected Vice-President of the District on May 6, 1969, took the oath of office, a copy of which is attached to these Minutes as Exhibit 1.

Approval of Minutes

The Minutes of the Regular Meeting held April 15, 1969 and of the Special Meeting held April 25, 1969 were approved.

Temporary Route Diversions

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

RESOLUTION NO. R-69-117

RESOLVED, that the temporary route diversions caused by construction work affecting Lines 24, 33, 66, 81, 82, 89, 91W, 92, 99 and 115, as described in report dated May 12, 1969 filed with the Secretary, be and the same are hereby ratified and approved.

Changes of Bus Stop Zones

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

RESOLUTION NO. R-69-118

RESOLVED, that the report dated May 12, 1969 relating to bus stop changes, filed with the Secretary, be and the same is hereby ratified and approved.

Approval of Authorization For Expenditure No. 418

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

RESOLUTION NO. R-69-119

RESOLVED, that Authorization For Expenditure No. 418, covering miscellaneous requisitions of \$100 and over, but less than \$1,000, as discussed at this meeting and attached to these Minutes as Exhibit 2, be and the same is hereby approved.

Report of Purchasing Agent - Statement of Purchases Over \$99.99 Except Routine Stock Supplies, Repairs and Prior Authorized Approvals

Pursuant to Section 8.2 of the Rules and Regulations, the Purchasing Agent's Statement of Purchases over \$99.99, Except Routine Stock Supplies, Repairs and Prior Authorized Approvals, dated May 12, 1969, was presented to the meeting and was ordered "Received and Filed." A copy of the Statement is filed with the Secretary.

Approval of Authorization For Expenditure No. 419

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

RESOLUTION NO. R-69-120

RESOLVED, that Authorization For Expenditure No. 419, covering the purchase and installation of Torit Dust Collector at South Park Shops, at a cost not to exceed \$375.00, be and the same is hereby approved.

Approval of Authorization For Expenditure No. 420

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

RESOLUTION NO. R-69-121

WHEREAS, on May 19, 1969 the Surface Operations Committee considered the General Manager's recommendation to approve Authorization For Expenditure No. 420, covering the purchase of necessary lighting fixtures and installation thereof in the Storeroom at South Park Shops at a cost not to exceed \$2,000., and approved the General Manager's recommendation, subject to approval of the General Counsel;

NOW, THEREFORE, BE IT RESOLVED, that Authorization For Expenditure No. 420, covering the purchase of necessary lighting fixtures and installation thereof in the Storeroom at South Park Shops, at a cost not to exceed \$2,000.00, be and the same is hereby approved.

Approval of Lease Agreement - Lyon Furniture Mercantile Agency, Lessee

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-69-122

WHEREAS, on May 19, 1969 the Surface Operations Committee considered the General Manager's recommendation to approve renewal of lease agreement with Lyon Furniture Mercantile Agency, Lessee, covering Suite 321 of the Transit District Building for a five-year term commencing June 1, 1969, at a total rental of \$45,000.00 payable monthly in advance at the rate of \$750.00, said lease to supersede as of June 1, 1969 the existing lease agreement dated October 29, 1964, and the Committee approved the General Manager'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 Lyon Furniture Mercantile Agency, Lessee, covering Suite 321 of the Transit District Building for a five-year term commencing June 1, 1969, at a total rental of \$45,000.00 payable monthly in advance at the rate of \$750.00, said lease to supersede as of June 1, 1969 the existing lease agreement dated October 29, 1964; form of agreement subject to approval of the General Counsel.

Approval of Route Change - Line No. 66

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-69-123

WHEREAS, the Surface Operations Committee on May 19, 1969 considered the General Manager's recommendation to approve modification of turning loop on Line No. 66 in the city of Huntington Park, as described in report dated May 5, 1969 discussed at the meeting, and approved the General Manager's recommendation; and

WHEREAS, the Staff advised the Committee that the appropriate officials of the city of Huntington Park had approved the proposed modification in route of Line No. 66;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to modify the turning loop on Line No. 66 in the city of Huntington Park, as discussed at this meeting and as described in report dated May 5, 1969 filed with the Secretary, effective as of June 1, 1969; subject to the prior approval of the Consulting Engineer;

RESOLVED FURTHER, that the General Manager be and he hereby is authorized to make appropriate revisions in the Official Route Authorizations of the District as adopted November 5, 1964 to reflect the change in route above authorized.

Approval of Route Change - Line No. 135

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

RESOLUTION NO. R-69-124

WHEREAS, the Surface Operations Committee on May 19, 1969 considered the General Manager's recommendation to approve a minor rerouting of Line No. 135 in the city of South El Monte, as described in report dated May 5, 1969 discussed at the meeting, and approved the General Manager's recommendation; and

WHEREAS, the Staff advised the Committee that the appropriate officials of the city of South El Monte had approved the proposed minor rerouting of Line No. 135 in their city;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to reroute Line No. 135 in the city of South El Monte, as discussed at this meeting and as described in report dated May 5, 1969 filed with the Secretary, effective as of May 25, 1969; subject to the prior approval of the Consulting Engineer;

RESOLVED FURTHER, that the General Manager be and he hereby is authorized to make appropriate revisions in the Official Route Authorizations of the District as adopted November 5, 1964 to reflect the change in route above authorized.

Award of Contracts - District's Petroleum Products Requirements

Director Compton, Chairman of the Surface Operations Committee, reported that the Committee on May 19, 1969 considered the General Manager's recommendations with respect to the awarding of contracts for the District's petroleum products requirements for a one-year period commencing June 1, 1969, but that the Committee would like to have an opinion from the General Counsel with respect to the question of a conflict of interest before recommending approval of the General Manager's recommendations.

General Counsel McKay thereupon stated that Director Eyraud at the meeting held March 18, 1969, at which the Purchasing Agent was authorized to issue invitations to bid on the District's

petroleum products requirements, stated that he had been a carrier for nearly all of the petroleum companies in the Los Angeles area for a number of years, and he abstained from voting on the matter.

Mr. McKay further stated that he had discussed the matter with Director Eyraud in view of the various provisions of the Government Code, commencing with Section 1090, and had prepared a statement for him to make on his behalf, but that, since Director Eyraud was not present at the meeting today, he would make the statement for him and make it a part of the official records of the meeting so that the District could act on this matter today.

General Counsel McKay then read the following statement:

"Director Eyraud disclosed at a prior meeting that he had supplied carrier services to nearly all petroleum companies and that he did not desire to take part in any proceedings in the award of the District's petroleum contracts. He has not taken any part in the proceedings of the District, nor, to my knowledge, has he discussed with or attempted to influence any member of the Board in regard to the contracts.

Section 1091 of the Government Code provides that a 'remote interest' authorized by law does not constitute a conflict of interest, nor an interest in a contract. Paragraph 7 of Section 1091 provides that a 'remote interest' includes one of a supplier of goods and services when such goods or services have been supplied to the contracting officer for at least five years prior to his appointment to office. Director Eyraud informed me that he has provided carrier services to all of the petroleum companies, including those that may be awarded bids here today, for a period in excess of five years. As a matter of fact, he has done it, in some cases, up to thirty years.

I advise, therefore, as General Counsel that no conflict of interest, or interest in a contract, problem or impediment therefore exists for this Board in making this award, since this remote interest has been disclosed to the Board, it has full knowledge of it, it has been noted in the official records, and the member has not participated in the proceedings, nor has he voted on the matter."

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-69-125

WHEREAS, on March 18, 1969 the Purchasing Agent was authorized to call for bids on the District's petroleum products requirements for the year commencing June 1, 1969 in accordance with the bid specifications presented and discussed at that meeting and in accordance with the Rules and Regulations; and

WHEREAS, on March 25, 1969 the Purchasing Agent issued invitations to bid (Bid No. 4-6928) on said petroleum requirements to twelve (12) suppliers; and

WHEREAS, on April 28, 1969 bids were received from six (6) suppliers; i.e., Atlantic Richfield Company, Douglas Oil Company of California, Phillips Petroleum Company, Standard Oil Company of California, Union Oil Company and Texaco, Inc.; and

WHEREAS, the Purchasing Agent has certified the bids of Texaco, Inc., Douglas Oil Company of California and Atlantic Richfield Company as being the lowest responsible bidder in the categories as listed in memorandum dated May 14, 1969, which is a part of Exhibit 3 attached to and made a part of these Minutes; and

WHEREAS, the Surface Operations Committee on May 19, 1969 considered the General Manager's recommendation to award the contracts to the above named bidders as set forth in said Exhibit 3, and the Committee approved the General Manager's recommendation;

NOW, THEREFORE, BE IT RESOLVED, that the following bids in the following amounts be and they hereby are accepted:

Texaco, Inc.

A total price, excluding all applicable taxes, of \$1,610,279.92:

Diesel Fuel No. 1	\$1,502,474.40
Premium Gasoline	52,042.50
H.D. Crankcase Oil - Bulk	22,908.00
H.D. Crankcase Oil - Barrel	968.00
Multi-Service Chassis &)-440# Bbl.	2,015.02
Wheel Bearing Grease)-120# Bbl.	2,622.00
	<u>1,610,279.92</u>

Douglas Oil Company of California

A total price, excluding all applicable taxes, of \$11,061.40:

Air Cleaner Oil	\$ 3,273.60
Soluble Oil	459.80
#350 Thinner - 55 Gal. Bbl.	6,608.00
#350 Thinner - Bulk	720.00
	<hr/>
	11,061.40

Atlantic Richfield Company

A total price, excluding all applicable taxes, of \$16,188.00 for Heavy Duty Crankcase Oil 30 (MIL-L-2104B).

RESOLVED FURTHER, that the General Manager be and he hereby is authorized to execute on behalf of the District contracts between the Southern California Rapid Transit District and Texaco, Inc., Douglas Oil Company of California, and Atlantic Richfield Company covering a one-year period commencing June 1, 1969 for those petroleum products as set forth above; form of contracts subject to approval of the General Counsel.

General Manager Samuel B. Nelson entered the meeting.

Approval of Sale of Used Surplus 1951 Model TDH-5103 G.M.C. Diesel Coaches - Community Enterprises, Inc. and Leeward Bus Lines

Director Compton, Chairman of the Surface Operations Committee, reported that the Committee on May 19th considered the General Manager's recommendation to sell two used surplus 1951 Model TDH-5103 G.M.C. diesel coaches to Community Enterprises, Inc. and ten similar coaches to Leeward Bus Lines of Pearl City, Hawaii, together with an option to Leeward to purchase ten additional coaches on or before July 1st, at \$2,000 per coach, as is - where is, less tires, with a finder's fee to be paid to American-International Bus Exchange of 10% of the total sales price, and that the Committee approved the sale as recommended by the General Manager

) Director Hayward thereupon stated that, while he supported the recommendation of the General Manager, the Staff and the Committee, he would like to point out a concern he had experienced the past week in that the agent for the sale here under consideration was the same agent who, according to the local metropolitan newspaper, appeared before a local judicial body and stated that buses from the same group sold on competitive bid for \$2,200 were, in his opinion, sold \$800 below what he would estimate the price to be; and that at the last Board meeting and again at this meeting the Board is selling coaches from the same group for \$1,800, not \$2,000, to the same gentleman who exhibited the criticism.

) Director Krauch requested that Director Hayward's remarks be made a part of the record of the meeting to show the inconsistency of the man who testified before a judicial body that these buses were worth \$3,000 and he is now buying them from the District for \$2,000.

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

RESOLUTION NO. R-69-126

WHEREAS, on May 19, 1969 the Surface Operations Committee considered the General Manager's recommendation to sell the following used surplus coaches to:

- a. Community Enterprises, Inc., of two used surplus 1951 Model TDH-5103 G.M.C. Diesel

Coaches, numbered 2836 and 2889, without tires, at \$2,000.00 per coach, or a total of \$4,000.00, and

- b. Leeward Bus Lines of Pearl City, Hawaii, of ten used surplus 1951 Model TDH-5103 G.M.C. Diesel Coaches, numbered 2702, 2734, 2749, 2799, 2838, 2851, 2852, 2878, 2882 and 2887, without tires, at \$2,000.00 per coach, or a total of \$20,000.00, with a 60-day option to purchase ten additional 1951 Model TDH-5103 G.M.C. Diesel Coaches, numbered 2729, 2866, 2867, 2870, 2871, 2876, 2880, 2883, 2886 and 2888, without tires, at \$2,000.00 per coach, or a total of \$20,000.00,

subject to payment by the District of a finder's fee of 10% of the total sales price of each of the above sales 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., of two used surplus 1951 Model TDH-5103 G.M.C. Diesel Coaches, numbered 2836 and 2889, as is - where is, less tires, at \$2,000.00 per coach, or a total of \$4,000.00, and
- b. Leeward Bus Company of Pearl City, Hawaii, of ten used surplus 1951 Model TDH-5103 G.M.C. Diesel Coaches, numbered 2702, 2734, 2749, 2799, 2838, 2851, 2852, 2878, 2882 and 2887, as is - where is, less tires, at \$2,000.00 per coach, or a total of \$20,000.00, with a 60-day option to purchase ten additional 1951 Model TDH-5103 G.M.C. Diesel Coaches, numbered 2729, 2866, 2867, 2870, 2871, 2876, 2880, 2883, 2886 and 2888, as is - where is, less tires, at \$2,000.00 per coach, or a total of \$20,000.00;

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.

Brokerage Agreement for Sale of Used Surplus Coaches, Proposed Form of - Ordered "Received and Filed"

After a full discussion, on motion of Director Macke, seconded and unanimously carried, the proposed form of brokerage agreement for sale of used surplus coaches, together with amendment of Paragraph 3 thereof, presented and discussed at this meeting, and filed with the Secretary, was ordered "Received and Filed."

Agenda Item No. 14 - Referred to General Manager for Further Study

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On motion of Director McMillan, Vice-Chairman of the Advance Planning & Engineering Committee, seconded and unanimously carried, Agenda Item No. 14, reading:

"Consider authorizing the filing of a research project application with the Urban Mass Transportation Administration of the United States Department of Transportation in which the District will act as the sponsor and coordinator of a research project on air flow and heat generation in tunnels,"

was referred to the General Manager for further study.

Authorization to Sign Checks

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

RESOLUTION NO. R-69-127

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 account (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	Kermit M. Bill, President
J. L. Pujol, Assistant Treasurer	David K. Hayward, Vice-President
T. V. Collins, Assistant Treasurer	Samuel B. Nelson, 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 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 recognize these signatures until written notice to the contrary is given to said Bank.

Authorization to Sign Orders and Certificates

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

RESOLUTION NO. R-69-128

RESOLVED, that Kermit M. Bill, President, David K. Hayward, Vice-President, and Samuel B. Nelson, General Manager, H. L. Black, Treasurer and J. L. Pujol, Assistant Treasurer, of the Southern California Rapid Transit District (successor to Los Angeles Metropolitan Transit Authority), be and each of them is hereby authorized - acting alone - to sign orders to the Bank of America National Trust and Savings Association as Trustee under the Trust Indenture dated as of January 1, 1958 for withdrawals from the Construction Fund and any and all other funds wherein the Bank of America requires an order from an authorized person of the District to prepare a check against any such fund, and to sign as Authorized Officer any certificate, report, or other document which may be required by the Bank of America in support of any such order and which under the provisions of the said Trust Indenture must be signed by an Authorized Officer, and to sign such Certificates of Compliance with the provisions of the said Trust Indenture as may be requested by Bank of America; and to sign such Officer's Certificates as may be required by Bank of America National Trust and Savings Association pursuant to Section 4.08 of the Equipment Trust Agreement dated as of September 1, 1961 as supplemented by Equipment Trust Agreement dated as of January 1, 1963, and to sign such Certificates of Compliance with the provisions of the said Equipment Trust Agreement and Supplemental Equipment Trust Agreement as may be requested by Bank of America.

RESOLVED FURTHER, that the General Manager be and he is hereby authorized to appoint an engineer employed by the District to make and execute the certificate required by Section 510 (c) of the Trust Indenture dated as of January 1, 1958 in support of any direction to the Trustee for expenditures to be made from the Depreciation Reserve Fund.

Operating Report - Month of April, 1969

The Operating Report for the Month of April, 1969 was presented to the meeting and was ordered "Received and Filed." A copy of the report is filed with the Secretary.

Approval of Sale of Fifteen (15) Used Surplus 1951 Model TDH-5103 G.M.C. Diesel Coaches - El Paso City Lines

Upon approval of the ten Directors present, consideration of the sale of fifteen (15) used surplus 1951 Model TDH-5103 diesel coaches to El Paso City Lines was added to the Agenda.

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-69-129

WHEREAS, on May 19, 1969 the Surface Operations Committee considered the General Manager's recommendation to sell to El Paso City Lines the following used surplus 1951 Model TDH-5103 G.M.C. Diesel Coaches, numbered:

2736, 2755, 2772, 2774, 2775, 2780, 2787,
2803, 2807, 2808, 2823, 2824, 2850, 2855
and 2874,

as is - where is, less tires, at \$2,000.00 each, or a total of \$30,000.00; subject to payment by the District of a finder's fee of 10% of the total sales price to John D. McGuigan, Inc. of Chicago, Illinois, 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 to El Paso City Lines the following used surplus 1951 Model TDH-5103 G.M.C. Diesel Coaches, numbered:

2736, 2755, 2772, 2774, 2775, 2780, 2787,
2803, 2807, 2808, 2823, 2824, 2850, 2855
and 2874,

as is - where is, less tires, at \$2,000.00 each, or a total of \$30,000.00;

RESOLVED FURTHER, that the Treasurer and/or Assistant Treasurer be and he hereby is authorized to pay to John D. McGuigan, Inc. of Chicago, Illinois, a finder's fee of 10% of the total sales price of the above described coaches, or \$3,000.00.

General Manager Nelson reported that he was writing all of the large transit properties in the United States, asking two questions: their method of depreciation on coaches and how they dispose of their surplus buses. He stated he would report to the Board at a later date on the results of the survey.

Advertising Contract with Metromedia, Inc. - Ratification of Reduction of Advertising Rates in Certain Categories

Upon approval of the ten Directors present, consideration of ratification of the General Manager's action in approving the reduction of advertising rates in certain categories under the Advertising Contract with Metromedia, Inc. was added to the Agenda.

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-69-130

RESOLVED, that the action of the General Manager in authorizing the reduction of advertising rates in certain categories under the District's Advertising Agreement dated June 17, 1968 with Metromedia, Inc., pursuant to the provisions of Paragraph 6 thereof, as described in letter dated April 29, 1969 from Metro Transit Advertising, a copy of which is filed with the Secretary, be and the same is hereby ratified, confirmed and approved.

Approval of Report of General Manager, entitled "Financial Support Proposal For Public Transportation in the Los Angeles Metropolitan Area"

Director Gleckman, Chairman of the Finance & Governmental Affairs Committee, reported that on May 19, 1969 the Committee considered the General Manager's Report, entitled "Financial Support Proposal For Public Transportation in the Los Angeles Metropolitan Area," which recommends a 1/2 of 1% sales tax levied for six months within the District in order to maintain and improve District bus operations without increasing fares, and recommended approval and distribution of the Report.

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

RESOLUTION NO. R-69-131

RESOLVED, that the General Manager's Report dated May 1969, entitled "Financial Support Proposal for Public Transportation in the Los Angeles Metropolitan Area," presented to this meeting and attached to these Minutes as Exhibit 4, be and the same is hereby approved and general distribution thereof, including distribution to local and state governmental agencies and officials, civic organizations, and all interested parties, is hereby authorized.

Director Gleckman further reported that the Finance & Governmental Affairs Committee on May 19th also considered resolution in support of Assembly Bill No. 2136 introduced by Assemblyman Frank Lanterman, incorporating provisions for the levy of the 1/2 of 1% sales tax for six months and the distribution of the proceeds of the tax as outlined in the above described Report, and approved the resolution.

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

RESOLUTION NO. R-69-132

WHEREAS, the numerous communities throughout Los Angeles County require effective public transportation for their citizens; and

WHEREAS, the various public transit agencies now operating in the area are facing continually mounting costs of doing business; and

WHEREAS, it is clear that public fund support is essential for public agency operation of transit; and

WHEREAS, the maintenance of existing service, as well as the inauguration of any improvements, is dependent on the availability of funds beyond the fare box; and

WHEREAS, existing properties with available property tax funds may require further monies from this source; and

WHEREAS, this could be avoided by passage of Legislation, Assembly Bill 2136, providing for the levying of a one-half cent sales tax for six months, a tax benefiting all municipally-operated transit agencies and the Southern California Rapid Transit District;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Southern California Rapid Transit District hereby endorses AB 2136 and urges its early enactment by the Legislature and the Governor.

Report of General Manager

General Manager Nelson reported on the activities of the District since the last Board Meeting on May 6, 1969. A copy of the Report is attached to these Minutes as Exhibit 5.

Opinion of Legislative Counsel Relating to Term of Office on
Board of Directors of SCRTD of an Appointee of City
Selection Committee

The Opinion of the Legislative Counsel of California dated May 5, 1969 by John Fossette, Deputy Legislative Counsel, addressed to Senator Tom Carrell and correspondence relating to the term of office on the Board of Directors of the Southern California Rapid Transit District of an appointee of the City Selection Committee was presented to the meeting, and was ordered "Received and Filed," and it was directed that a copy of the Opinion and correspondence be forwarded to the Southern Division of the League of California Cities.

A copy of the Opinion of the Legislative Counsel and the correspondence relating thereto are attached to these Minutes as Exhibit 6.

Next Regular Meeting

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

RESOLUTION NO. R-69-133

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, June 3, 1969, at 10:00 a.m.

There being no further business, the meeting adjourned.

VIRGINIA L. REES

Secretary