

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT.

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

May 26, 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 May 26, 1970, at which time President Herbert H. Krauch called the meeting to order.

Directors Charles E. Compton, A. J. Eyraud, Jr., Leonard S. Gleckman, Herbert H. Krauch, Michael E. Macke, Don C. McMillan, Thomas G. Neusom and Douglas A. Newcomb were present. Directors Kermit M. Bill, David K. Hayward 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.

Approval of Minutes

The Minutes of the Regular Meeting held May 12, 1970 were approved.

Temporary Route Diversions

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

RESOLUTION NO. R-70-113

RESOLVED, that the temporary route diversions caused by construction work affecting Lines 68, 84, 86, 90, 96, 108, 119 and 131, as described in report dated May 11, 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-70-114

RESOLVED, that the report dated May 11, 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 Material & Supplies Account

Pursuant to Section 8.3 D of the Rules and Regulations, the Purchasing Agent's Statement of Material & Supplies Account for the Month of April, 1970 was presented to the meeting and was ordered "Received and Filed." A copy of the Statement is filed with the Secretary.

Award of Contract to Texaco, Inc. - District's Premium
Gasoline Requirements

After discussion, on motion of Director Compton, Chairman of the Surface Operations Committee, which motion was seconded, the following resolution was voted upon:

RESOLUTION NO. R-70-115

WHEREAS, by Resolution No. R-70-110 adopted May 12, 1970 the Purchasing Agent was authorized to reject all bids (Bid No. 5-7004) received on the District's premium gasoline requirements for a one-year period commencing June 1, 1970 since all bidders took exceptions to the specifications, and to call for new bids thereon, with a minor change in the specifications; and

WHEREAS, on May 13, 1970 the Purchasing Agent issued invitations to bid (Bid No. 5-7022) on the District's premium gasoline requirements to thirteen (13) suppliers in accordance with the revised specifications, a copy of which is attached to these Minutes as Exhibit 1; and

WHEREAS, on May 22, 1970 bids were received from four (4) suppliers; i.e., Douglas Oil Company, Shell Oil Company, Standard Oil Company of California, and Texaco, Inc.; and

WHEREAS, the Purchasing Agent has certified the bid of Texaco, Inc. as being the lowest responsible bidder on the District's premium gasoline requirements; and

WHEREAS, the Surface Operations Committee on May 25, 1970 considered and concurred in report dated May 22, 1970 of George F. Goehler, General Manager Pro Tempore, recommending that a contract for the furnishing of the District's premium gasoline requirements for a one-year period commencing June 1, 1970 be awarded to Texaco, Inc. as being the lowest responsible bidder; form of contract subject to approval of the General Counsel;

NOW, THEREFORE, BE IT RESOLVED, that the report and findings presented to this meeting, as set forth in report dated May 22, 1970 attached

to these Minutes as Exhibit 2, be and the same are hereby adopted:

RESOLVED FURTHER, that the General Manager be and he hereby is authorized to execute on behalf of the District a contract between the Southern California Rapid Transit District and Texaco, Inc. covering the District's premium gasoline requirements for a one-year period commencing June 1, 1970 in the estimated total amount of \$53,643.00, including sales taxes, form of contract subject to approval of the General Counsel.

Directors Compton, Gleckman, Krauch, Macke, McMillan, Neusom and Newcomb voted "Aye" on the motion, and Director Eyraud abstained from voting.

Resolution No. R-70-115 was adopted.

Institute For Rapid Transit - Authorization of District Participation in IRT Sponsored Research Project on Ventilation & Environmental Control in Subway Rapid Transit Systems

After a full discussion, on motion of Director Gleckman, Chairman of the Finance & Governmental Affairs Committee, and seconded, the following resolution was voted upon:

RESOLUTION NO. R-70-116

WHEREAS, during the performance of the preliminary engineering work on the District's Rapid Transit System it became evident that there was insufficient knowledge relative to the operation of high-speed trains in subways; and

WHEREAS, the Institute For Rapid Transit has seen fit to sponsor a research effort designed to provide the necessary data for use in subway design, provided that a sufficient number of transit agencies show their interest in this work by agreeing to furnish the necessary matching funds in order to qualify for federal participation in this project; and

WHEREAS, in view of the many millions of dollars

that will be expended by this District in the construction of subways, it will be very much to the interest of the District and the people it serves to have this needed technical information;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to advise the Institute For Rapid Transit prior to June 1, 1970 that the Southern California Rapid Transit District desires to participate in the IRT Sponsored Research Project on Ventilation & Environmental Control in Subway Rapid Transit Systems and agrees to contribute not to exceed \$10,000.00 per year in cash and/or services and expenses of personnel assigned to the project, for a period of three years, toward meeting the Urban Mass Transportation matching fund requirements for said project, with the understanding that if the total contributions exceed the final required amount, reductions to each contributing Agency will be allocated on a pro rata basis; said contribution and participation by the District being subject to the condition that at least six transit agencies, including the District, agree to similar contribution and participation in said project.

RESOLVED FURTHER, that the said contribution of \$10,000.00 per year in cash and/or services and expenses of personnel assigned to the above described project, for a period of three years, be and hereby is directed to be paid out of the Rapid Transit Planning monies in the Rapid Transit Account.

Directors Compton, Gleckman, Krauch, Macke, McMillan, Neusom and Newcomb voted "Aye" on the motion, and Director Eyraud voted "No." The motion carried.

Resolution No. R-70-116 was adopted.

Non-Contract Employees' Retirement Income Plan - Approval of Amendment No. 2, Effective June 1, 1969, and Amendment No. 3, Effective June 1, 1970, to Plan

After discussion, on motion of Director Newcomb, Chairman of the Personnel & Administrative Procedures Committee, seconded and unanimously carried, the following resolution was adopted:

RESOLUTION NO. R-70-117

WHEREAS, on May 22, 1970 the Personnel & Administrative Procedures Committee considered report dated May 21, 1970 of George F. Goehler, General Manager Pro Tempore, together with memorandum dated May 18, 1970 of Milton McKay attached thereto, recommending:

- a. approval of Amendment No. 2 and Amendment No. 3 to the District's Non-Contract Employees' Retirement Income Plan, and
- b. consideration of Amendment No. 4 to said Plan be deferred to a later date,

each of said amendments being more particularly described in said report dated May 21, 1970, a copy of which is attached to these Minutes as Exhibit 3; and

WHEREAS, the Personnel & Administrative Procedures Committee recommended:

- a. approval of Amendment No. 2, effective as of June 1, 1969, and of Amendment No. 3, effective as of June 1, 1970, to the District's Non-Contract Employees' Retirement Income Plan, as described in said Exhibit 3, with form of amendments subject to approval of the General Counsel, and
- b. further study by the Staff of Amendment No. 4 to said Plan, as described in said Exhibit 3, for consideration at a later date;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager be and he hereby is authorized to execute on behalf of the Southern California Rapid Transit District Amendment No. 2, effective as of June 1, 1969, and Amendment No. 3, effective as of June 1, 1970, to the District's Non-Contract Employees' Retirement Income Plan, as described in said Exhibit 3; form of amendments subject to approval of the General Counsel.

RESOLVED FURTHER, that the District Staff be and hereby is directed to make a further study of proposed Amendment No. 4 to said Non-Contract Employees' Retirement Income Plan, as described in said Exhibit 3, and to submit the results thereof for consideration at a later date.

District's Public Transportation Claim in Amount of \$9,098,500.
for Calendar Year 1970 Against Transit District Public
Transportation Improvement Fund (created under Chapter
1567, Statutes 1969) - Received and Filed

The District's Public Transportation Claim in the amount of \$9,098,500.00 for the Calendar Year 1970 against the Transit District Public Transportation Improvement Fund (created under Chapter 1567, Statutes 1969), filed by the District on December 16, 1969 and approved by James M. Hall, Secretary of Business and Transportation Agency of the State of California under date of April 23, 1970 was directed to be "Received and Filed." A copy of the claim is attached to these Minutes as Exhibit 4.

Operating Report for the Month of April, 1970

The Operating Report for the Month of April, 1970 was presented to the meeting and was ordered "Received and Filed." A copy of the Report is filed with the Secretary.

Criteria for District's Transportation Operations

After a full discussion of the District's financial status and operating expenses, the General Manager was directed to have prepared a report setting forth the criteria on which the level and extent of, and need for, the District's transportation services may be evaluated to guide the Board of Directors in carrying out its responsibilities to establish and maintain transit routes and facilities, and to submit the report to the Board when available.

Mr. Kenneth R. Moore, General Chairman of the United

) Transportation Union, who was present at the meeting, asked for permission to speak in regard to this subject. He expressed support for guidelines, but cautioned that the guidelines be such as to support the District's present services and recognize and call attention to the need for a subsidy comparable to that received by other properties.

Report by Chairman of Public Information & Marketing Committee

Director Macke, Chairman of the Public Information & Marketing Committee, reported that the Committee met this morning and reviewed the Public Information Program for the first part of the year, and that it was felt that the efforts so far have been quite successful in maintaining ridership, and that for the first three and one-half months of the year, revenue and ridership were on the increase as opposed to the national trend.

President Krauch inquired as to whether the signs advertising the District for placement on the sides of the buses had been prepared in substitution of those presented to the Committee sometime ago, the content of which was not felt to be adequate.

Mr. Nelson reported that at the Committee meeting this morning Chairman Macke had requested that a meeting of the Public Information & Marketing Committee be called at which the Metromedia relationship and contract would be reviewed, which would involve the matter of the advertising signs.

President Krauch also inquired as to the results of the coupon insertion campaign in the metropolitan and community newspapers, and in the TV Guide.

Director of Public Relations Manning reported that the response had been very substantial and that the Department had received 9,000 responses to one insertion.

Report of General Manager

General Manager Nelson reported on the activities of the District since the Regular Meeting held May 12, 1970. A copy of the Report is attached to these Minutes as Exhibit 5.

Committee Meetings - Schedule of Meeting Times and Dates

At the suggestion of Director McMillan, the General Manager was directed to present to the Board for consideration a schedule of regular Committee meeting times and dates which would allow at least one hour for each Committee meeting.

Director Macke announced that he felt that the Staff should develop some testing procedures in connection with the delivery of petroleum products under contract in order to insure that the District requires any contractor to conform with the specifications established.

General Manager Nelson reported that instructions had been given the Staff, and procedures have been set up in order to make periodic checks to see that the successful bidder complies with the specifications, and that periodic reports will be made to the Board.

Adjournment of Regular Meeting Scheduled to be Held on
Tuesday, June 2, 1970

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

RESOLUTION NO. R-70-118

RESOLVED, that the next Regular Meeting of the Board of Directors scheduled to be held on Tuesday, June 2, 1970, be and hereby is adjourned to Tuesday, June 9, 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 Governor Goodwin J. Knight

On motion of Director Eyraud, seconded and unanimously carried, the meeting was adjourned in Memory of Governor Goodwin J. Knight who passed away in Los Angeles on May 22, 1970, and it was directed that an appropriate resolution be presented to Mrs. Knight.

VIRGINIA L. REE

Secretary

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICTPetroleum Product Specifications
General Terms & Conditions

1. Bidder must certify that the product or products to be furnished meet the minimum specifications in order to qualify. All products supplied by bidder will be subject to periodic check by independent laboratories at option of buyer to determine whether or not product being supplied meets specifications. In the event product supplied shall fail to meet the specifications, contractor may be required to remove and replace at his own expense, or make other adjustments as deemed appropriate by the Assistant General Manager for Operations.
2. Term of coverage is for a period of twelve (12) months commencing June 1, 1970.
3. Estimated annual quantities required of each product are as shown on Bid Sheet. These estimates are based upon experience, however the District is not to be held responsible for the accuracy of these estimates, and the quantity to be furnished and delivered will be such as will actually be required and ordered during the period of the contract.
4. Points of delivery for the various products are as shown on attached Bid Sheet and as listed below:

LOS ANGELES AREA

Division 2, 783 East 16th Street
Division 3, 637 West Avenue 27
Division 5, 2300 West 54th Street
Division 14, 54th & Avalon Boulevard

OTHER LOCATIONS

Division 6, 100 Sunset Avenue, Venice
Division 7, 710 N. San Vicente, W. Hollywood
Division 8, 14557 Sherman Way, Van Nuys
Division 9, 3449 Santa Anita Avenue, El Monte
Division 12, 770 Chester Place, Long Beach

Deliveries of petroleum products will be ordered under the contract by telephone advance notice of not less than twenty-four (24) hours for delivery to the District's storage facilities and time of such deliveries are expressly limited to the hours of 9:00 a.m. to 3:00 p.m., only.

5. Extension of Facilities. The District reserves the right to add locations for service under this contract in the same general area on the same terms and conditions as prevail for those covered above.

Petroleum Product Specifications -- General Terms & Conditions

6. Bidder must agree to maintain and make available to buyer, technical services of competent engineers and necessary laboratory services for the purpose of assisting buyer in resolving any problems that may arise in connection with use of petroleum product being supplied.
7. It is understood that the District's obligation to purchase fuels from the successful bidder will cease if the use of any of such fuels violates any Federal or State law or regulation.
8. In the event that unleaded gasoline of at least 93 octane is made available in the California market during the term of the contract, the contractor agrees to supply such fuel at a price to be negotiated between the parties based upon the market price for such fuel. In the event that unleaded gasoline is available from other suppliers but contractor cannot supply the District's requirements, the District reserves the right to terminate its agreement to purchase the specified gasoline upon sixty (60) days' written notice.
9. Bidder shall submit with his proposal, a bid bond or certified check in an amount not less than 10% of the year's cost of the products bid upon based upon estimated quantities shown herein. Bond to be properly executed and acknowledged by the bidder, and a corporate surety authorized to transact such business in the State of California.

The successful bidder shall furnish at his own expense, a performance bond satisfactory to the District, in an amount not less than 10% of the year's cost of the product or products awarded him, based upon estimated quantities shown herein, as a guarantee of good faith on behalf of the contractor that the terms of the contract, payment of materials, labor or amounts due under Unemployment Insurance Code, or as otherwise required by the Government or Civil Code.

10. DO NOT include Federal Excise Taxes in your quotation, as the District will furnish certifications under its exemption status.
11. Deliveries are subject to applicable State Motor Fuel Taxes, State and Local Sales Taxes.
12. Bulk deliveries of petroleum products must be accompanied by memos showing quantity delivered and will be paid for by invoice adjusting quantities to 60°F. The District may require its employees to check the interior of the delivery truck compartment before and after delivery, therefore, all trucks must be equipped with necessary ladders, supports and hand grabs as will enable these inspections to be made in safety.
13. Invoices (4 copies) to be mailed to the District's Purchasing Department, P.O. Box 2296, Terminal Annex, Los Angeles, California, 90054, covering each individual shipment.

Petroleum Product Specifications -- General Terms & Conditions

14. Successful bidder will be required to sign a written contract or purchase order in accordance with and including as a part thereof, the published notice of invitation to bid, the general terms and conditions, and specifications.
15. The District reserves the right to award the contract to the lowest responsible qualified bidder on each item or to reject any or all proposals.
16. Bidder must state billing and credit details pertaining to containers.
17. Bidder shall supply record of proven satisfactory use in urban transit operations of product being bid upon. Adequacy of such proof shall be determined by the District.
18. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration at the election of either party in accordance with the Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.
19. In accordance with California Government Code, Sections 4300 to 4305, and subject to the exceptions and inclusions thereof, only unmanufactured materials produced in the United States, and only manufactured materials manufactured in the United States, substantially all from materials produced in the United States, shall be used in the performance of the contract.
20. The parties hereto covenant and agree that to their knowledge, no Board member, officer, or employee of the Southern California Rapid Transit District has any interest, whether contractual, noncontractual, financial, or otherwise in his transaction, or in the business of the contracting party other than the District, and that if any such interest comes to the knowledge of either party at any time, a full and complete disclosure of all such information will be made in writing to the other party or parties even if such interest would not be considered a conflict of interest under Article 4 (commencing with Section 1090) or Article 4.6 (commencing with Section 1120) of Division 4 of Title 1 of the Government Code of the State of California.
21. The contractor shall also furnish owner a Certificate of Insurance covering Workmen's Compensation, Property Damage, and Bodily Injury coverage in such amounts as required by the District. In addition, a copy of an additional Interest Endorsement Certificate to the policy, showing the District as an additional named insured and providing that the policy may not be cancelled without fifteen (15) days' written notice to the District, should be furnished the District. Both certificates shall contain the following paragraph:

"Insured agrees that for any and all activities contemplated or undertaken in fulfillment of this contract, it will at all times indemnify, save harmless and defend the Southern California Rapid Transit District, its members, trustees, officers and employees, against all judgments, damages, claims or demands based upon personal injuries (including death), or property damage sustained or claimed to have been sustained, whether such person or persons making such demand for claim be the employees of the insured or otherwise."

Petroleum Product Specifications -- General Terms & Conditions

Copies of insurance certificates are to be mailed to the following address:

Southern California Rapid Transit District
P.O. Box 2296, Terminal Annex
Los Angeles, California 90054

Attention: Mr. E. W. Stanley

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

1970 Petroleum Product Specifications
Summary Sheet - Exhibit "A"

<u>ITEM</u>	<u>PRODUCT</u>		<u>ESTIMATED</u> <u>ANNUAL REQUIREMENTS</u>	<u>EX-ALL-TAX</u> <u>BID' PRICE</u> <u>PER GALLON</u>	<u>EXTENSION</u> <u>APPROX.</u>
1	Premium Gasoline	T/W	65,000	_____	_____
	Premium Gasoline	T&T	204,000	_____	_____

PREMIUM GASOLINE SPECIFICATIONS

	<u>APPROXIMATE DELIVERY SCHEDULES*</u>	
	<u>WINTER</u> Nov. 1 to Mar. 31	<u>SUMMER</u> Apr. 1 to Oct. 31
Reid Vapor Pressure Lb. Max.	11.0	9.0
Distillation °F		
Initial Boiling Point	105	110
10% Evaporation, Max.	130	145
50% Evaporation, Max.	225	240
90% Evaporation, Max.	345	350
End Point, Max.	405	415
Residue, % Max.	1	1
Octane No., Research, Min.	99.0	99.0
TEL Content, cc/gal., Max.	3.0	3.0
Doctor	Neg.	Neg.
Corrosion, 3 Hrs./122°F, Max.	Passes	Passes
Sulfur, % Max.	0.1	0.1
Oxidation Stability, minutes, Min.	240	240
Existent Gum, mg/100 ml., Max.	4	4

(* Transition period of plus or minus four (4) weeks shall be permitted.

Gasoline supplied under this contract shall contain PETROX additive, or approved equal in a ratio of 0.3 to 0.5% of gasoline. In the event contractor proposes to use other than the specified additive, he shall indicate the Brand Name, Specification and Additive Ratio of the additive he intends to furnish. In any event, additive must contain a proven detergent which will maintain carburetor throttle body throats in a clean condition.

TEST METHODS

Reid Vapor Pressure	ASTM D323
Distillation	ASTM D 86
Octane Number	ASTM D908
TEL Content	ASTM D526
Doctor	FSB 5203
Corrosion	ASTM D130
Sulfur	ASTM D1266
Oxidation Stability	ASTM D525
Existent Gum	ASTM D381

RTD 37-11
REV. 3/65

DEPARTMENTAL

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT1080 SOUTH BROADWAY
LOS ANGELESDO NOT INCLUDE MORE THAN ONE
SUBJECT IN THIS COMMUNICATION

DATE: May 22, 1970

TO: Surface Operations Committee

FROM: George F. Goehler

SUBJECT: Award of bid for the furnishing of premium gasoline.

It will be recalled that at its meeting on May 12 the Board of Directors approved rejection of all bids on premium gasoline and authorized reissuance of bids for this product with a minor change in the bid specifications. Attached is copy of bid abstract dated May 22, 1970, outlining the results of bids received for the furnishing of the District's premium gasoline for a one-year period commencing June 1, 1970. It will be noted that there were no exceptions taken by any of four (4) bidders and that Texaco, Inc. is the low bidder for both tank wagon and truck and trailer deliveries.

It is recommended that contract for the furnishing of the District's premium gasoline requirements be awarded to Texaco, Inc. for a one-year period commencing June 1, 1970, with formal contracts subject to approval of the General Counsel.



GEORGE F. GOEHLER
General Manager Pro Tempore

Attachment

RTD 37-66
REV 10/66

DATE May 22, 1970

ABSTRACT OF PROPOSALS TO FURNISH MATERIAL

BID NO. 5-7022

Bids out 5-13-70 Total 13
 Bids opened 5-22-70 Total 4
 No Bid 7
 No Response 2


BID TABULATION

Date Advertised Herald-Examiner
May 13, 1970

QUANTITY	ARTICLES	PRICE	PRICE	PRICE	PRICE
Gal. 65,000	Premium Gasoline Tank & Wagon	.137	.1434	.145	.16
	State Tax	.07	.07	.07	.07
		.207	.2134	.215	.23
		13,455.00	13,871.00	13,975.00	14,950.00
204,000	Premium Gas - T&T	.127	.1284	.135	.142
	State Tax	.07	.07	.07	.07
		.197	.1984	.205	.212
		40,188.00	40,473.60	41,820.00	43,248.00
	TOTAL	\$53,643.00	54,344.60	55,795.00	58,198.00
There were no exceptions taken by any bidders.					

I hereby certify Texaco Inc. as being the lowest responsible bidder, and recommend the award to them for total bid price including sales tax of \$53,643.00

5-22-70
Date


Director Purchases & Stores

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

1060 SOUTH BROADWAY
LOS ANGELES

DO NOT INCLUDE MORE THAN ONE
SUBJECT IN THIS COMMUNICATION

DATE: May 21, 1970

TO: Personnel & Administrative Procedures Committee
FROM: George F. Goehler
SUBJECT: Proposed Amendments to Non-Contract Pension Plan

Attached is a report dated May 18, 1970 from the Chairman of the Staff Personnel & Administrative Procedures Committee recommending approval of Amendment Nos. 2 and 3 of the Non-Contract Pension Plan, and further recommending that Amendment No. 4 be considered at a subsequent time.

Amendment Nos. 2 and 3 are similar to those granted to the District's contract employees at our last negotiations. The majority of our retirements occur on June 1 of each year, and employees scheduled to retire effective June 1 of this year are uncertain as to their Pension benefits until Board approval has been accomplished.

It is recommended that Amendment Nos. 2 and 3 of the Non-Contract Pension Plan be approved, with form of amendments subject to approval of the General Counsel. It is further recommended that copies of this report be forwarded to all Directors prior to the Board meeting on May 26, 1970.



George F. Goehler
General Manager Pro Tempore

Attachment

DEPARTMENTAL

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT1060 SOUTH BROADWAY
LOS ANGELESDO NOT INCLUDE MORE THAN ONE
SUBJECT IN THIS COMMUNICATION

DATE: May 18, 1970

TO: Samuel B. Nelson, General Manager

FROM: Milton McKay, Chairman,
Staff Personnel and Administrative Procedures Committee

SUBJECT: Amendments to Non-Contract Retirement Income Plan.

I. Proposed Amendments.

The District has approximately 400 employees whose positions are not included within the provisions of the District's three collective bargaining agreements with the United Transportation Union, the Amalgamated Transit Union, and the Brotherhood of Railway Clerks. These 400 employees consist basically of supervisory and management employees. A separate retirement income plan has been and is maintained to cover these employees.

The present plan is organized in two parts, one called the Basic Plan with present limits of \$100.00 a month, and a Supplemental Plan providing benefits including the basic benefits based fundamentally upon a standard of $1\frac{1}{4}\%$ of monthly income times the number of years of service. The plans are not considered adequately responsive to the District's present needs.

Recently negotiated amendments, effective June 1, 1969, June 1, 1970 and September 1, 1971, to the three Union retirement income plans, established under the collective bargaining contracts, evidence a need to improve and clarify the provisions of the non-contract plan. In addition, certain technical changes are required, including the need to permit an election to a very limited number of employees to either come under the new plan or to permanently remain under their present plan.

