

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

April 12, 1980

MAY - 9 1980

P.C.T.

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, 425 South Main Street, Los Angeles, California, at 10:09 a.m. on April 12, 1980 at which time President Thomas G. Neusom called the meeting to order.

Directors Present:

Donald Gibbs (entered 10:22 a.m.)	Carl Meseck
David K. Hayward (entered 10:17 a.m.)	Thomas G. Neusom
Marvin L. Holen	Jay B. Price
Gerald B. Leonard	Ruth E. Richter
Mike Lewis	Charles H. Storing

Director Absent:

George Takei

Staff Present:

Jack R. Gilstrap, General Manager
Samuel M. Black, Manager of Operations
Richard T. Powers, General Counsel
Joe B. Scatchard, Controller-Treasurer-Auditor
Jack Stubbs, Assistant General Manager for Administration
John S. Wilkens, Manager of Employee Relations
George McDonald, Manager of Planning & Marketing
Helen M. Bolen, District Secretary
Patricia J. Bluemke, Assistant District Secretary

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

General Manager Jack R. Gilstrap and Board President Thomas G. Neusom reviewed the District's current fiscal situation and outlined the projected operating expenses for Fiscal Year 1981 amounting to \$325 million.

Submitted were reports relative to the impact of inflation upon labor agreements and the resultant impact upon the operating expenses of the District; legislative issues facing the District, current patronage trends and projections, along with adjustments which could be made to the service.

The Board considered the comparison of possible fare structures for Fiscal Year 1981 provided by staff (Exhibit I). Deliberations continued on each aspect of the fare structure and various straw votes were taken for discussion purposes.

The meeting was recessed for lunch at 1:00 p.m. and reconvened at 1:45 p.m. with Directors Neusom, Richter, Gibbs, Hayward, Holen, Leonard, Lewis, Meseck, Price and Storing responding to roll call.

The members of the Board continued the fare adjustment discussions and Mr. Vandeventer and (Dr) Woodhull of the District staff calculated the anticipated revenue from various proposals submitted by members of the Board. At the request of the staff, the meeting was recessed from 2:45 p.m. to 4:20 p.m. to allow the staff additional time to calculate the alternative fare suggestions proposed by the Board members.

The meeting reconvened at 4:20 p.m. with Directors Neusom, Richter, Gibbs, Hayward, Holen, Leonard, Lewis, Meseck, Price and Storing responding to roll call. The staff presented its estimate of the revenue to be produced by the fare structure proposed by the Board of Directors and cautioned that there was no industry experience upon which to base revenue estimates for a fare structure as unusual as that proposed by the Board; therefore, the confidence level in the estimates could not be considered very high. Only actual experience with the new fare structure could provide and give the District any real idea of how it would work and that we must monitor it and the inflation rate carefully and adjust as necessary within the next few months.

Director Hayward moved adoption of the fare structure as shown in the attached Exhibit II, and the motion was seconded by Director Gibbs.

A discussion ensued on the definition of a student and how the student fare could be restricted to prohibit abuses. Director Holen made a substitute motion, seconded by Director Storing, to adopt the fare structure proposed by Director Hayward, with an expansion of the definition of a student to be anyone attending school through the fourth year of college, or at age 22, with the District to certify each school where students would be eligible. The motion failed and the results of the roll call vote are listed below:

Resolution
No. Assigned

Ayes: Holen, Price, Storing, Neusom
Noes: Gibbs, Hayward, Leonard, Meseck
Richter
Abstain: Lewis
Absent: Takei

The vote was taken on Director Hayward's motion and the motion carried on a roll call vote as listed below and the following resolution was adopted:

R-80-159

RESOLVED, that the fare structure outlined on Exhibit II to these minutes is adopted and the General Manager is authorized to include this fare structure in the District's tariff.

Ayes: Gibbs, Hayward, Holen, Leonard,
Meseck, Price, Storing, Neusom
Noes: Richter
Abstain: None
Absent: Lewis, Takei

Based on the estimates of the staff personnel who were computing the estimated revenue, the fare structure adopted would provide approximately \$31 million. It was reemphasized, however, that the calculations were based on assumptions of what the riding public would do, and particularly difficult to estimate with the elimination of the transfer. Due to these uncertainties,

Resolution
No. Assigned

no definite accurate prediction could be made.

It was the concensus of the staff that although the elimination of the transfer would be a benefit operationally, it would have dramatic impact on our riders, nearly half of whom now transfer at least one time. The staff commented that a one transfer arrangement, as had been originally recommended, was still the most feasible approach to dealing with abuse and the need for added revenue.

On motion of Director Holen, seconded by Director Richter, and carried as noted below, the following resolution was adopted:

R-80-160

RESOLVED, that the implementation date for the new fare structure outlined in Exhibit II be May 1, 1980.

Ayes: Gibbs, Hayward, Holen, Leonard,
Meseck, Price, Richter, Storing,
Neusom
Noes: None
Abstain: None
Absent: Lewis, Takei

The Board instructed the staff to conduct a public education program to inform the public of the changes in the fare structure. Mr. McDonald estimated the cost of such a program to be \$75,000.

President Neusom stated the District Board of Directors had spent a great deal of time and effort to arrive at a new fare structure which will both meet the District's financial needs and still be fair and equitable to all members of the riding public, as well as the tax paying public. The Board attempted to arrive at a system of equity among the different types of passengers, e.g., regular customers, students, the elderly, handicapped and pass holders who utilize regular service and express service. An attempt was made to more evenly divide the share of the total cost of bus service and an effort also made to make the system more efficient through the establishment of peak and off-peak fares.

Setting of Date for Public Hearing on UMTA
Section 5 Funds Application

Upon motion of Director Hayward, seconded by Director Storing, and carried as noted below, the following resolution was adopted:

Ayes: Gibbs, Holen, Leonard, Meseck,
Price, Richter, Storing, Neusom
Noes: None
Abstain: None
Absent: Lewis, Takei

Resolution
No. Assigned

R-80-161

RESOLVED, that a public hearing will be held on May 22, 1980 at 1:00 p.m. in the Board Room, Second Floor, 425 South Main Street, Los Angeles, to consider the District's grant application for UMTA Section 5 funds (Operating subsidy) for Fiscal Year 1981.

Authorized Filing of Claims for Transportation Development Act and State Transit Assistance Fund Monies for Fiscal Year 1981

Upon motion of Director Hayward, seconded and carried as noted below, the following resolution was adopted:

Ayes: Gibbs, Hayward, Holen, Leonard, Meseck, Price, Richter, Storing, Neusom
Noes: None
Abstain: None
Absent: Lewis, Takei

R-80-162

RESOLVED, that the General Manager is authorized to file claims with the Southern California Association of Governments (SCAG) and the Los Angeles County Transportation Commission (LACTC) for the Transportation Development Act (TDA) and State Transit Assistance Fund (SB620) monies for Fiscal Year 1981 in the maximum amounts determined to be reasonably available.

The meeting adjourned at 5:07 p.m.



Patricia A. Bluemke, Assistant District Secretary

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT
Comparison of Possible Fare Structures for Fiscal Year 1981

<u>CASH FARES</u>	<u>Current</u>	<u>Alt. 1</u>	<u>Alt. 2</u>	<u>Alt. 3</u>	<u>Alt. 4</u>
Regular	\$.55	\$.65	\$.60	\$.60	\$.65
Elderly & Handi- capped	.20	.25	.25	.25	.65 Peak* .25 Off Peak
Students	.45	.55	.60	.50	.55
Transfers	0.05	.10	.10	.10	.10
 <u>PASS PRICES</u>					
Regular	20.00	24.00	24.00	26.00	24.00
Elderly & Handi- capped	4.00	8.00	12.00	10.00	8.00 **
Student (Stamp)	14.00	18.00	24.00	20.00	18.00
 <u>EXPRESS CHARGES</u>					
Cash	.20	.30	.30	.30	.30
Stamp for Pass	6.00	10.00	12.00	12.00	10.00
Minimum Cash Fare	.75	.95	.90	.90	.95
Maximum Cash Fare	1.55	2.15	2.10	2.10	2.15
Minimum Pass Price	26.00	34.00	36.00	38.00	34.00
Maximum Pass Price	50.00	74.00	84.00	86.00	74.00
 <u>SUBSCRIPTION FARES</u>					
20 Miles & under	50.00	60.00	60.00	60.00	60.00
25 " " "	55.00	66.00	66.00	66.00	66.00
30 " " "	55.00	72.00	72.00	72.00	72.00
35 " " "	55.00	78.00	78.00	78.00	78.00
40 " " "	65.00	84.00	84.00	84.00	84.00
 <u>MINIBUS FARES</u>					
Cash	.20	.25	.25	.25	.25
Yield (\$ Millions)	-----	24.0	23.4	22.8	28.4

* - Peaks 6 a.m. - 9 a.m. and 3 p.m. - 6 p.m.
 ** - Requires additional 40 cents during peak periods
 The Board of Directors may choose any combination of fare elements.

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT
 Comparison of Possible Fare Structures for Fiscal Year 1981

	<u>Current</u>	<u>Alt. 1A</u>	<u>Alt. 2A</u>	<u>Alt. 3A</u>
<u>CASH FARES</u>				
Regular	\$.55	\$.70	\$.75	\$.70
Elderly & Handicapped	.20	.35	.30	.70 Peak* .35 Off-Peak
Students	.45	.60	.65	.60
Transfers	0.05	.15 (Senior .05)	.15 (Senior .05)	.15 (Senior .05)
<u>PASS PRICES</u>				
Regular	20.00	26.00	24.00	26.00
Elderly & Handicapped	4.00	10.00	8.00	10.00 **
Student (Stamp)	14.00	20.00	18.00	20.00
<u>EXPRESS CHARGES</u>				
Cash	.20	.30	.25	.30
Stamp for Pass	6.00	12.00	10.00	12.00
Minimum Cash Fare	.75	1.00	1.00	1.00
Maximum Cash Fare	1.55	2.20	2.00	2.20
Minimum Pass Price	26.00	38.00	34.00	38.00
Maximum Pass Price	50.00	86.00	74.00	86.00
<u>SUBSCRIPTION FARES</u>				
20 Miles & Under	50.00	60.00	60.00	60.00
25 Miles & Under	55.00	66.00	66.00	66.00
30 Miles & Under	55.00	72.00	72.00	72.00
35 Miles & Under	55.00	78.00	78.00	78.00
40 Miles & Under	65.00	84.00	84.00	84.00
<u>MINI-BUS FARES</u>				
Cash	.20	.25	.25	.25
Yield (\$ Millions)	-----	35.7	34.9	40.5

* Peaks 6 a.m. - 9 a.m. and 3 p.m. - 6 p.m. weekdays
 ** Requires additional 35 cents in peaks

The Board of Directors may choose any combination of fare elements.

Service Analysis Section
 4/9/80

CASH FARES

TRANSFERS - DISCONTINUED

CASH FARES PAID EACH TIME A BUS IS BOARDED

Regular Fares

Basic Fare	50¢
Express changes (added to base fare for Express & park/ride service)	30¢ per distance step
	Express fares are 80¢ to \$2

Senior Citizens & Handicapped Fares
(Senior Citizens are those 65 and above & those 62
and above with Medicare card)

Off-Peak Hours - good county-wide	25¢
Peak Hours (6 am to 9 am and 3 pm to 6 pm, Monday through Friday)	Regular fares including Express charges

Student Fares

Regular fares at all
times including Express
charges

PASSES

Regular Passes

Basic Pass	\$30
Express stamps (added to base fare for Express & park/ride service)	\$10 per stamp - Express passes are \$40 to \$80

Senior Citizens & Handicapped Passes
(Senior Citizens are those 65 and above &
those 62 and above with Medicare card)

Off-Peak Hours - good county-wide	no extra charge
Peak Hours (6 am to 9 am & 3 pm to 6 pm, Monday through Friday)	

Local Lines	Pass +25¢
Express Lines	Pass +25¢ + express charge

Student Passes

(Must be enrolled in an elementary, junior
high, or high school)

Off-Peak Hours - good county-wide	no extra charge
Peak Hours - (6 am to 9 am & 3 pm to 6 pm, Monday through Friday)	

Local Lines	no extra charge
Express Lines	Pass + Express charges

Downtown Minibus 25¢

Westwood Minibus 10¢

April 12, 1980

Subscription Service

20 Miles & under	\$60.00
25 " " "	\$66.00
30 " " "	\$72.00
35 " " "	\$78.00
40 " " "	\$84.00