

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

February 29, 1972

Upon notice duly given, the Directors of the Southern California Rapid Transit District met at a special meeting in the District Board Room, 1060 South Broadway, Los Angeles, California, at 11:00 a.m. on February 29, 1972, at which time President Norman Topping called the meeting to order.

Directors Charles E. Compton, A. J. Eyraud, Jr., 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 Jay B. Price was absent.

Also present were General Manager Jack R. Gilstrap; General Counsel Richard T. Powers; Manager of Operations George F. Goehler; Manager of Planning & Marketing George L. McDonald; Chief Engineer Richard Gallagher; Controller-Auditor-Treasurer J. B. Scatchard; Secretary Virginia L. Rees; and the public.

President Topping announced that the Board of Directors was meeting in special session to receive a brief report from the General Manager.

General Manager Gilstrap reported, as follows:

"Mr. President, members of the Board of Directors, and ladies and gentlemen.

The staff is certainly aware of your deep concern about the transit crisis that has resulted in the community as a result of the strike called by the Amalgamated Union.

Every effort has been made to effect an early resumption of bus service in the four county area. Members of the United Transportation Union, which represents the operators, and the Brotherhood of Railway Clerks, which represents some of our non-operating personnel, have refused to cross the picket lines and, as a result, our bus operations of course have come to a halt.

The Rapid Transit District negotiated with the ATU in goodfaith for seven months. As a matter of fact, we were in negotiation until 4:00 a.m. Monday morning (February 28, 1972). We started negotiations several weeks before the contract with ATU expired last August 31st. As of last December 1st, we had not reached anything resembling agreement. We then asked the Union if it would agree to arbitration, and the answer was "No." That's over two months ago that they refused arbitration.

Then the Union representatives triggered the creation of a Fact Finding Commission. During December and early January the independent Commission, composed of three experienced and highly respected arbitrators, met and provided both the Union and the District representatives with an equal opportunity to present their case. To give you an idea of the depth into which the issues were explored, the final typewritten transcript of the proceedings is 1265 pages long. Attached to it are 112 Union exhibits and 126 District exhibits.

The Commission, after considering both sides, issued its unanimous recommendations on January 27, 1972. The District's latest offer, made through the Conciliator, varied to some degree from these recommendations, but remained generally within the frame-

"work of the Commission's recommendations.

Following are the key features and details of the latest offer the District has made to the Union representatives.

First, Wages: An across the board increase of 5-1/2% on the basic wage rates, effective September 1, 1971; an additional 5-1/2% increase effective September 1, 1972, and another 5-1/2% effective September 1, 1973. These increases are applicable to all regular classifications in the unit, except Mechanic AA and other specialist classifications, whose rates will be adjusted to preserve the 10¢ per hour differential over Mechanic A.

Secondly, Cost-of-Living escalator: This was offered to take effect September 1, 1972.

Thirdly, the Term of Contract: 33 months, September 1, 1971 to May 31, 1974.

Fourthly, Vacation: Lower the requirement for 3 weeks' vacation from 6 years of service to 5 years; that for 4 weeks' to 14 years of service until May 31, 1972, and 13 years' thereafter; and that for 5 weeks' vacation from 22 years of service to 20 years.

Fifthly, Health and Welfare: Increase the District's contribution for Health and Welfare coverage from \$33.17 per month to \$37.17 per employee per month from September 1, 1971; increase to \$40 on March 1, 1972, and further increases on contract anniversary dates.

There are, of course, other features. But these are the items of major concern.

It may be of interest to you to know the wage increases translated from percentages into monthly dollars on a straight time basis. A typical example of the District's offer to increase wages would be in the Mechanic A classification:

\$48.53 a month increase on September 1, 1971; another \$52.00 a month increase effective September 1, 1972; another \$55.47 a month increase effective September 1, 1973.

And it is important to note that these increases do not include the cost-of-living escalator clause offered by the District.

"We offered the 33-month contract, with the 5.5% increase in wages now beginning September 1, and in the third year of the contract the offer included the cost-of-living clause, which we had been given to understand was the ATU's principal demand and the issue on which previous negotiations had broken down. Our offer also included, as I have indicated, further improvements in health and welfare and vacations, the other two issues which the Union said were major points of dispute.

Now, the parameters of the offer are based on a 33-month instead of a two-year contract because this, we believe, keeps us within the framework of the Fact Finding Commission's report.

The Union rejected the offer by proffering, through the Conciliator, a proposal which did not address itself to the key issues and which represented virtually no change in their position. The District could not accept this offer.

The District recognizes its obligation to the citizens of this state to hold the line on operating costs. The RTD is perfectly willing to consider a settlement within the framework of the Fact Finding Commission's recommendations, which we believe are more than generous.

And we are prepared to resume negotiations at any time and to work around the clock if necessary to stop this strike.

That concludes my report."

Board of Directors Recessed in Executive Session at 11:10 a.m.

After discussion, on motion of Director Compton, seconded and unanimously carried, the Board of Directors recessed in Executive Session at 11:10 a.m. to discuss the personnel matters involved.

The meeting was reconvened at 11:50 a.m., with Directors Charles E. Compton, A. J. Eyraud, Jr., Leonard S. Gleckman, David K. Hayward, Herbert H. Krauch, Michael E. Macke, Don C. McMillan, Thomas G. Neusom, Douglas A. Newcomb and

Norman Topping responding to Roll Call.

Director Jay B. Price was absent from the meeting.

President Topping then made the following statement:

"The Board has met for a full briefing and discussion of the current status of negotiations.

We recognize very deeply the inconvenience to our passengers, our employees and the business community, all of whom have been hurt by this work stoppage.

The Board of Directors also recognizes its grave responsibility to the taxpayers. Senate Bill 325, passed by the Legislature and signed by the Governor last year, imposes on the District a public trust of tax monies paid by all citizens of California and by the residents of this area in particular. It is with these factors in mind that we discussed the situation.

Since negotiations began last July, several issues have been settled across the table. When it appeared that serious differences existed, the matter was submitted to fact finding. This process was included in the act creating the District after careful deliberation by the Legislature. Its purpose is to provide for an in depth examination of issues and a public disclosure of recommendations by an impartial panel.

The offer made by the District is equitable and fair to the men of the bargaining unit. Equally important, it is fair to the taxpaying public and generally falls within the framework of the Fact Finding Commission report.

We call upon the representatives of the Amalgamated Transit Union to re-examine carefully this offer. At the same time, we pledge that our staff will continue to be available for round-the-clock negotiations, as they have been in the past months, so that service can be restored to the public.

This Board of Directors also offers to the staff of RTD that we are subject to call at any time for further discussions and consideration of the problems at hand.

Upon motion duly made, seconded and unanimously carried,

the meeting adjourned.

Virginia K. Reas
Secretary