

1 under the jurisdiction of a statutorily created regional  
2 transportation agency, including a county transportation  
3 commission, the project shall be approved by the agency.  
4 In addition, all projects shall be submitted by the  
5 department to the State Transportation Board for their  
6 approval as being in conformance with the regional  
7 transportation plan for that area and California  
8 Transportation Plan, before the department presents its  
9 budget recommendations to the commission for funding  
10 the project from the State Highway Account under such  
11 terms and conditions as the commission and board deem  
12 appropriate and subject to the percentage limitation of  
13 Section 200.

14 If, at any time during the resource allocation decision  
15 process, the department or commission is unable to  
16 achieve an agreement with the entity concerning a  
17 transit project, the entity, the department, or the  
18 commission may request the Secretary of Business and  
19 Transportation Agency to convene and chair a  
20 committee composed of an equal number of members of  
21 the board and commission to resolve the disagreement.  
22 The funds set aside pursuant to this section shall be  
23 deemed expenditures on the state highway system for  
24 purposes of Sections 188, 188.8, and 188.9 and shall be  
25 separately identified in the budget report submitted to  
26 the Legislature pursuant to Sections 143.1 and 143.2.

27 ~~SEC. 10~~ ~~SEC. 12~~ No appropriation is made by this  
28 act, nor is any obligation created thereby under Section  
29 2231 of the Revenue and Taxation Code for the  
30 reimbursement of any local agency for any costs that may  
31 be incurred by it in carrying on any program or  
32 performing any service required to be carried on or  
33 performed by it by this act.



DEPARTMENTAL

## SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

1660 SOUTH BROADWAY  
LOS ANGELESDO NOT INCLUDE MORE THAN ONE  
SUBJECT IN THIS COMMUNICATION

DATE: September 17, 1975

TO: Mr. Jack R. Gilstrap  
 FROM: Ray D. Harris  
 SUBJECT: State Legislative Progress Report -- 1975-76 Session

On Friday, September 12, 1975, the California State Legislature recessed, concluding the first year of the two-year session. The session has been extremely important for the SCRTD. The level of activity in Sacramento has maintained a hectic pace throughout the session. To this point, staff has monitored nearly 100 bills as they proceed through the legislative process

District Sponsored Bills

As reported to the Board earlier this year concerning District legislative plans, there was a need to change the District law to improve our purchasing procedures. The law set forth in 1964 required that for every purchase of \$3,000 or more, the District must obtain formal bids. This limit (\$3,000) has been eroded by inflation and makes the process more costly and time consuming.

District staff worked with Assemblyman Frank Vicencia on AB1075 to change the District Law to raise our bid limit from \$3,000 to \$5,000. The bill was signed by the Governor on July 7, 1975.

In the area of bus system operational matters, our legislative plan was to amend the Vehicle Code to permit the operation of the District's two double deck buses (height) and the fleet of articulated buses (weight) which we anticipate purchasing. AB1076 (Vicencia) was signed by the Governor on July 8, 1975. This bill will exempt double deck buses from the present 13.5 foot height limitation and would prohibit such a bus from exceeding a height of 14 feet, 3 inches.

AB1077 (Vicencia) permits the operation of an articulated bus by amending the Vehicle Code to provide a gross weight of 20,500 pounds on any one axle of a bus instead of the rear axle only, as under present law. The above bill was signed by the Governor on June 21, 1975.

AB1078 (Vicencia) authorizes the equipping of buses operated by a public agency with a system of warning lights. The special crime warning lights are located on the exterior upper four corners of a bus and shall be activated only when a crime is in progress on board the bus or has recently been committed on board the bus. The crime warning lights have been installed by the District under a \$65,000 grant from the Office of Criminal Justice Planning. The above bill was signed by the Governor on September 16, 1975.

AB1723 (Sieroty) will amend the labor provisions of the SCRTD Act by requiring that all bargaining and fact-finding sessions between the parties be open to the public. The measure requires the District to submit a written offer for a new contract to the employees not later than five days prior to the expiration of the contract or the fact-finding period. A supervised secret ballot on the District's latest offer must be made within 72 hours of the time service to the public may be terminated. The bill was held in committee for interim study. It is hoped that during the legislative recess additional hearings will be held.

AB1806 (Lanterman) will assist in providing the District the ability to recoup approximately \$1.3 million that would otherwise be lost under the formula set forth in SB325 (Mills-Alquist-Deddeh) by which monies are allocated to transit properties annually, predicated on the prior year's total mileage. The loss is relative to the 68-day strike period of last year, when no mileage was recorded. The bill has been signed by the Governor and chaptered on September 12, 1975.

AB2361 (Vicencia) would adjust the vehicle code to permit the lengthening of future buses by 18 inches (in front of the front axle) to allow for the widening, and equipping the front door with a lift mechanism, assisting handicapped and elderly persons to board. AB2361 has passed from the Assembly (72-0) to the Senate and will now go to the Senate Public Utilities, Transit and Energy Committee.

#### Additional Legislation of Interest

AB1246 (Ingalls) is probably the most controversial piece of transit legislation of this session. It would dilute and reduce the legislative mandate of the RTD in that the planning and building of a rapid transit system would be taken away from the SCRTD. This bill would create a nine-member, appointed commission that would have a broad authority concerning all facets of transit

in the southland. This commission would have authority to perform all short-range transportation planning, select FAU projects to be funded and approve all capital development projects - - including mass transit guideway systems, state and interstate highway projects. The only areas of responsibility not specifically given to the commission involve authority over county and local streets, roads and airports. However, because of the broad intention and language of the bill, it may also include these as well

Staff, after receiving authority through RTD Board resolution R-75-301, July 17, 1975, actively campaigned against AB1246. After passing out of the Assembly by a slight 43-15 vote, the bill's next hurdle was the Senate Public Utilities, Transit and Energy Committee, chaired by Senator Alquist. The bill was held in committee, 3 - 5. Mr. Ingalls has asked and received reconsideration, making 1246 a two-year bill to be heard in January, 1976. We should look to Mr. Ingalls to hold informal meetings throughout the recess period to gain a foundation for amending 1246 so that it will be acceptable to the delegation from the Southern California Area.

SB100 (Mills) would boost the state gasoline tax by 2¢ per gallon, to be expended for state highways and grade separations. The measure passed the Senate, 23-7; passed the Assembly Transportation Committee, 8 - 5; but held in the Assembly Ways & Means Committee, 7 - 8. Senator Mills has asked and received reconsideration.

SB101's (Mills) original language would have a transit development board in Los Angeles, taking the building of a rapid transit system away from the SCRTD and leaving the District to operate buses only. The bill has been amended to pertain only to San Diego County - - no funds have been allocated this will be dependent upon the outcome of SB100.

AB1998 (Campbell) which was strongly supported by the California Contract Cities, bears mentioning. The measure would have authorized any transit operator in operation for over 365 days to be eligible for SB 325 funds; however, the bill was held in Assembly Transportation Committee for interim study.

#### Three Bills Aimed at Reorganizing the SCRTD Board of Directors

In line with direction received from the Board Executive Committee, the staff has taken no position on three bills introduced to reconstitute the Board of Directors. An update of the bills follows:

SB8 (Robbins) would replace our current Board with a nine-member elected board.



The bill provides that the question of an elected Board would be placed before the voters on the June 8 primary ballot. If the proposition is approved, the bill would delete, as of November 26, 1976, provisions relating to the appointive board and provide for the election of a nine-member board from the election to be established by the legislature at the June 8, 1976 Primary Election and at the November 2, 1976 General Election.

The bill also sets forth criteria for campaign contributions and expenditures. SB8 passed out of the Senate by a 23-11 vote, but was held in the Assembly Transportation Committee by a vote of 6 - 9.

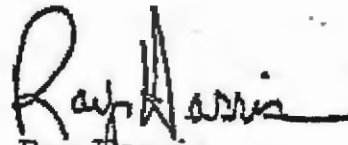
Senator Robbins requested reconsideration, which was granted. This makes SB8 a two-year bill which could be heard in January, 1976.

SB 47 (Roberti) is similar to SB8. Its major action would establish an eleven-man elected board from districts established by the Department of Transportation. The bill sets forth criteria for campaign contributions and establishes a Southern California Rapid Transit Advisory Committee, in addition to the new board of directors. There has been no legislative action on this bill since February, 1975.

AB10 (Green) would have dissolved the current RTD Board of Directors and replaced them with the existing Los Angeles County Board of Supervisors. The bill failed passage in its initial policy committee - - Assembly Transportation.

District staff will continue to monitor these three bills very closely during the 1976 session.

As we have reported to you in the past, we will continue to work closely with the various committees of the legislature as we continue to anticipate a substantial increase in the number of bills that will be introduced concerning public transportation.

  
Ray Harris





SOUTHERN CALIFORNIA  
RAPID TRANSIT DISTRICT

1050 SOUTH BROADWAY • LOS ANGELES, CALIFORNIA 90015 • TELEPHONE (213) 749-6977

GEORGE W. BREWSTER, DIRECTOR

July 24, 1975

Honorable Mayor and City Council  
City of Lomita  
City Hall Offices  
Lomita, California 90717

Dear Mayor Cole and City Council Members:

Thank you for your recent letter concerning Assembly Bill 1246. As you know, the four City Selection Committee members of the Southern California Rapid Transit District Board of Directors were unanimous in their opposition to the bill as noted in our letter to your City Council on May 3. By resolution adopted at the regular meeting on July 17, 1975, the full Board of Directors of the SCRTD went on record opposing AB 1246.

Should AB 1246 become law, it would bring about a major revision in the delegation of responsibilities for rapid transit in Los Angeles County. It would result in a fragmentation and unnecessary duplication of transit service in the County and would subvert the purposes for which the Southern California Rapid Transit District was created; namely, "to provide the needed comprehensive mass rapid transit system" in the Southern California area.

The establishment of a commission in Los Angeles County will serve only to dilute the present transportation process by adding yet another unneeded layer of government; one that lessens local government's control of the transportation system.

The establishment of an appointed commission will merely duplicate what we now have in the SCRTD Board of Directors. Do we really need another appointed Board; one that would have the complete responsibility of allocating transit funds to not only the SCRTD but to the other seven municipal operators in our County? I think a point that cannot be overlooked is that at the present time local entities have the final veto on highway and road locations, both state and federal. Should AB 1246 become law, the commission would have the right to decide where state and federal highways are placed. Again, this serves to lessen local control. I believe that our constituents in the Southern California area have the most responsive Board of Directors under the present arrangement to oversee the development of transportation in the Southern California area.



Honorable Mayor and City Council  
City of Lomita  
July 24, 1975  
Page 2

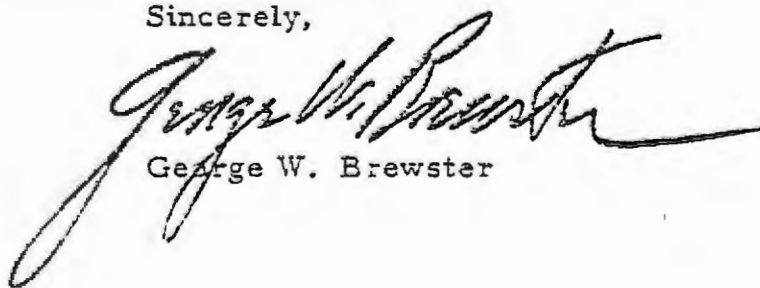
I believe we have to look at the proposed composition of the commission and what representation the small cities will have. At the present time, the 78 cities of Los Angeles County area have four representatives on the eleven-member RTD policy board. On the new commission, for example, the Mayor of Los Angeles will have three appointees while all other cities combined will have only two. This, I think you will agree, is a lack of adequate representation.

Assemblyman Ingalls speaks of a need for one governmental entity with the responsibility over "these fragmented transit operators." The Southern California Rapid Transit District and the other seven municipal operators at times have had differences, but not to the extent that would necessitate an outside entity to settle any professional differences between our agencies. Quite to the contrary. The working relationship between the RTD and other municipal operators has in most cases been amicable.

Enclosed for your information is a copy of District Resolution No. R-75-301, which voices the District's position on AB 1246 and the principal reasons for opposing this legislation.

Your interest in writing is appreciated, and please do not hesitate to let me know if I can provide any additional information.

Sincerely,



George W. Brewster

enclosure



Attached letter sent to:

Mayor Tom Bradley  
John Gibson, President, LA City Council  
Pat Russell, President, League of Calif. Cities  
James Hayes, President, SCAG  
James Hayes, Chairman, LA Board of Supervisors

Walter Ingalls, Chairman Assembly Transportation Committee  
Frank Vicencia, Chairman Assembly Subcommittee on Southern  
California Regional Transportation  
Senator Alquist, Chairman, PUT&E  
James Mills, President Pro Tempore, State Senate

July 21, 1975

Attached for your information is a certified copy of Resolution No. R-75-301, adopted by the Board of Directors of the Southern California Rapid Transit District at its meeting on July 16, 1975, relative to the Board's opposition to the passage of Assembly Bill 1246.

Very truly yours,

Helen M. Bolen  
Assistant Secretary

Attachment



RESOLUTION NO. R-75-301

Assembly Bill 1246, which is presently before the Legislature in Sacramento, would bring about a drastic revision in the delegation of responsibilities for rapid transit in Los Angeles County. If AB 1246 should become law, it would result in a fragmentation and unnecessary duplication of transit services in the county and would subvert the purposes for which the Southern California Rapid Transit District was created, namely, "To provide the needed comprehensive mass rapid transit system" in the Southern California area.

Further, it is evident that the approach proposed by AB 1246 would precipitate an unreasonable delay in the implementation of an effective rapid transit system in Los Angeles County at the precise time when prompt, decisive action is imperative. In addition, AB 1246 creates yet another level of bureaucracy and lessens local government's control of the transportation system.

Further, AB 1246 provides no new funding sources to solve the financing problems confronting public transit operators.

BE IT, THEREFORE, RESOLVED, that the Board of Directors of the Southern California Rapid Transit District hereby expresses its opposition to Assembly Bill 1246 as being detrimental to the District and obstructive to the purposes for which it was created.

BE IT FURTHER RESOLVED, that the Staff of the RTD disseminate this resolution to appropriate levels of government and furnish all necessary information to interested officials, persons and groups.

CERTIFICATION

The undersigned duly qualified and acting as Secretary of the Southern California Rapid Transit District certifies that the foregoing is a true and correct copy of Resolution No. R-75-301, adopted at a

legally convened meeting of the Board of Directors of the Southern California Rapid Transit District held on July 16, 1975.

The undersigned further certifies that this resolution is in full force and effect and has not been rescinded or modified in any respect.

---

Secretary

Dated: July 17, 1975

(SEAL)



SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

July 24, 1975

Upon notice duly given, the Board of Directors of the Southern California Rapid Transit District met at a Special Meeting with the Board of Directors of the Orange County Transit District at the Saddleback Inn, 12500 East Firestone Boulevard, Norwalk, California, at 6:30 p m. on Thursday, July 24, 1975.

Directors George W. Brewster, Byron E. Cook, Donald H. Gibbs, Thomas G. Neusom, Jay B. Price, George Takei and Baxter Ward were present. Directors Victor M. Carter, A. J. Eyraud, Jr., Adelina Gregory and Pete Schabarum were absent.

RTD staff members present included General Manager Jack R. Gilstrap; Assistant General Manager for Administration Jack Stubbs; Manager of Operations George W. Heinle; Manager of Planning & Marketing George L. McDonald, Manager of Rapid Transit Richard Gallagher, Assistant General Counsel Suzanne Gifford, Principle Analyst Ralph de la Cruz and Assistant Secretary Helen M. Bolen.

Orange County Transit District Directors Robert W. Battin, Ralph B. Clark, Al Holliden, John Kanel and Richard B. Lynn were present. Also present were OCTD staff members including General Manager Edward F. Loritz, Assistant General Manager James P. Reichert, Deputy County Counsel K. R. Smart; Manager of Planning and Development Tom Jenkins,

Manager of Marketing Art Golland, Assistant for Inter Governmental Relations Mary-Evelyn Bryden, Controller Jeanette Hyatt, and Clerk of the Board Jacque Mog.

Also present were representatives from Supervisor Schabarum and Supervisor Ward's offices, Bill Ackerman of SCAG, D. R. Roper of CalTrans, representatives from the League of Women Voters, the Mayor's Advisory Committee, guests, and the public.

RTD President Byron E. Cook and OCTD Chairman Ralph B. Clark called the meeting to order at 8:25 p.m., followed by introduction of all Directors present, and introduction of the two staffs by RTD General Manager Jack R. Gilstrap and OCTD General Manager Edward F. Loritz.

OCTD Chairman Clark spoke briefly concerning the need for OCTD and RTD to keep open the lines of communication and the problems both Districts have encountered in trying to build a rapid transit system for Southern California. Chairman Clark also commented that the sole reason for SCAG's existence is regional planning and assistance. The first rapid transit line in this area must be a regional system line. OCTD is concerned with how regional are the proposals that RTD is considering and will the final route chosen serve the majority of the people of the urban area of Los Angeles which by definition must include Orange County.

RTD President Cook responded that the RTD Board of Directors recognizes their duty to give the people the best



region in a better position to receive funding assistance from the Urban Mass Transportation Administration;

NOW, THEREFORE, BE IT RESOLVED, that this Board of Directors does hereby adopt as Phase II of the Los Angeles County rapid transit system a line that will include a connection or junction with the Orange County-Pacific Electric-Santa Ana-Garden Grove alignment;

RESOLVED FURTHER, that the General Manager be and he hereby is instructed to convey this action to the State of California and to the U. S. Department of Transportation.

OCTD Chairman Clark commented on behalf of the OCTD Board of Directors that this action is yet another gesture of good will that exists between the two agencies.

On the recommendation of Mr. Reichert, the OCTD Board of Directors unanimously took action reaffirming the designation of the Orange County-Pacific Electric-Santa Ana-Garden Grove alignment as the top priority rapid transit line for OCTD.

Vice-President Neusom commented for the benefit of OCTD that Secretary of Transportation Coleman had made it clear that only so many dollars were available for rapid transit construction, and it would behoove the OCTD to act with dispatch.

President Cook commented that RTD and OCTD had made a milestone decision this evening.

#### Discussion of AB 1246

OCTD President Clark called on Mr. William Ackerman of SCAG to report on the latest developments concerning AB 1246. Mr. Ackerman reported that the Executive Board of SCAG has taken a stand in opposition to AB 1246.

Mr. Gilstrap commented that RTD feels quite strongly that AB 1246 is not good legislation, that it adds another layer of bureaucracy. The bill is going to be heard on August 5, it has already been passed by the Assembly. We at RTD would like to see OCTD and RTD stand together on this matter. We understand that OCTD has not taken a stand on this, but it is under consideration. This bill affects all counties and SCAG, and I think that we would have much better success if we were to work in unison. If the bill cannot be corrected, oppose it! Time is very short. What we see is a major piece of legislation that has been amended in some mysterious way that we won't know about until the day of the hearing, when it is too late.

Director Price commented that the Transportation Task Force of the League of California Cities approved a draft that would make SCAG the regional transportation planning agency for all planning. This would inhibit even the changing, adding or deleting of lines.

OCTD General Manager Loritz addressed the Boards stating that AB 1246 does not offer much to the citizens of Orange County. OCTD staff has deferred bringing this matter to the Board in anticipation of Assemblyman Ingalls' visit, however it will be on the August 4 agenda.

Mrs. June Gilmore addressed the Board as a private citizen. She commented that the League of Women Voters, as well as other groups have made definite statements against the



Ingalls bill. A great number of people in Southern California do not want this bill passed.

OCTD Director Kanel called upon former General Manager Dr. Fielding to comment on this issue. Dr. Fielding stated that AB 1246 is one of two bills of a similar nature. OCTD supported SB 101, which was a cleaner document. AB 1246 would disrupt bus service, it would treble the amount of difficulty in providing even the most commonplace service, and it is a waste of taxpayers money in setting up another bureaucracy.

General Manager Gilstrap reported that as a result of actions taken by various bodies in the County, Secretary Coleman will be notified that we have met the August 1st deadline. RTD will be transmitting a letter as early as tomorrow. Director Price suggested that a paragraph be included in the letter encompassing action taken this evening.

On motion of Director Price, seconded and unanimously carried, the General Manager was instructed to include in the letter to Secretary Coleman a paragraph setting forth the actions taken at the Joint Meeting of the RTD and OCTD on July 24th.

Director Ward expressed concern about tonight's decision and the hope that a decision on the Central Business District routing could be made by August 15, 1975 as we have developed momentum. If action could be taken by that date, it would be impressive. Director Ward also asked that the two Districts organize a study unit to study the cost and development of a

rapid transit leg to connect the two transit districts together. This would give tonight's action some added lustre. Mr. Gilstrap and Mr. Gallagher responded that the two District's are working together in the Rapid Transit Advisory Committee and suggested that a sub-committee be formed to make the study suggested.

On motion of Director Ward, seconded and unanimously carried, the following resolution was adopted:

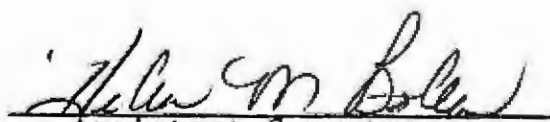
RESOLUTION NO. R-75-303

RESOLVED, that a sub-committee of the Rapid Transit Advisory Committee be formed, representing the Orange County Transit District and the Southern California Rapid Transit District, to develop cost and other considerations in a Los Angeles-Santa Ana routing.

Orange County Board of Directors unanimously adopted a counterpart motion.

Mr. Josh White of Mayor's Advisory Committee spoke briefly and asked Orange County Transit District to take action at this time against AB 1246. OCTD Director Kanel responded that it will be on the agenda on August 4th. Chairman Clark stated that he was prepared to oppose the bill this evening and he will feel that way on August 4th.

There being no further business, the meeting adjourned at 10:25 p.m.

  
Assistant Secretary

ASSEMBLY BILL 1246

Amended as of April 29th - 1975

TRANSMITTED AT THE REGULAR BOARD  
MEETING ON WEDNESDAY, MAY 1st - 1975



AMENDED IN ASSEMBLY APRIL 29, 1975

CALIFORNIA LEGISLATURE—1975-76 REGULAR SESSION

ASSEMBLY BILL

No. 1246

Introduced by Assemblymen Ingalls and Vicencia

March 20, 1975

REFERRED TO COMMITTEE ON TRANSPORTATION

An act to amend Section 29532 of add Section 29532.4 to the Government Code, to amend Sections 30000, 30004, and 30100 30100, 99233, and 99234 of, to amend the heading of Part 3 (commencing with Section 30000) of Division 10 of, to add Section 30265 Sections 30265 and 99233.7 to, and to add Division 12 (commencing with Section 130000) to, the Public Utilities Code, and to amend Section 199 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1246, as amended, Ingalls (Trans.). County transportation commissions.

(1) Under existing law, there is a Southern California Rapid Transit District.

This bill would redesignate the district as the Los Angeles Regional Transit District.

(2) Under existing law, no provision is made for an advisory committee to the district board of directors.

The bill would require the board to appoint an advisory committee.

(3) Under existing law, there is no public entity designated as a county transportation commission.

The bill would create a county transportation commission

in each of the Counties of Los Angeles, Orange, Riverside, and San Bernardino to coordinate transit service, to approve transit system planning, and to designate the operators of guideway and rapid transit systems. The commissions would be designated as (1) the designated transportation planning agencies for the allocation of funds under the Mills-Alquist-Deddeh Act and (2) the designated recipients for purposes of federal laws. The Los Angeles County Transportation Commission would be required to submit to the Legislature a progress report not later than July 1, 1976, and a final report with recommendations not later than February 1, 1977, on the transit situation in Los Angeles County.

(4) *Under the Mills-Alquist-Deddeh Act, funds are allocated for, among other things, administrative and planning functions.*

*The bill would, after deductions for specified administrative and planning allocations, authorize allocations up to 2% of funds available under that act to multicounty designated transportation planning agencies which include areas under the jurisdiction of the commissions.*

(5) *Under existing law, the regional transportation plans for the areas under the jurisdiction of the commissions are required to be prepared by councils of governments.*

*The bill would make the multicounty designated transportation planning agencies responsible for long-term transportation system planning, and the commissions responsible for short-range capital and service planning, in the areas under the jurisdiction of the commissions.*

(6) *Under the Urban Mass Transportation Act of 1964, as amended by the National Mass Transportation Assistance Act of 1974, for an urban area with a population of 200,000 or more, the designated recipient is the statewide or regional agency that is responsible under state law for the financing, construction, and operation of public transportation services in that area.*

*The bill would designate the commissions as such recipients.*

(7) *Under the same federal act specified in (6), the Secretary of Transportation may make grants to states and local public bodies for mass transportation capital expenditures in*

urban areas.

The bill would prohibit any public entity in an area under the jurisdiction of a commission, except the commission, from applying for such grants.

(8) Under existing law, the Department of Transportation has no authority to design or construct transit systems.

The bill would require the department, and would authorize the department in the case of a chartered city, to design and construct approved guideway and rapid transit system in counties with commissions.

(5) (9) The bill would make other related and conforming changes.

(6) (10) The bill would provide that no appropriation would be made or nor any obligation created for the reimbursement of any local agency for any costs incurred by it pursuant to this bill.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no state funding.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 29532 of the Government Code
- 2 SECTION 1. Section 29532.4 is added to the
- 3 Government Code, to read:
- 4 29532.4. Notwithstanding Section 29532, any county
- 5 transportation commission created by Division 12
- 6 (commencing with Section 130000) of the Public Utilities
- 7 Code shall be designated by the Secretary of the Business
- 8 and Transportation Agency as the transportation
- 9 planning agency for the area under its jurisdiction for
- 10 purposes of Section 29532.
- 11 is amended to read:
- 12 29532. Out of the funds appropriated pursuant to
- 13 Section 29531, the county auditor shall pay to public
- 14 transportation entities such amounts as are allocated by
- 15 the transportation planning agencies designated by the
- 16 Secretary of the Business and Transportation Agency as
- 17 follows:
- 18 (a) For a county included within the jurisdiction of a
- 19 statutorily created regional transportation planning



1 agency, such agency.

2 (b) For a county which is not included within the  
3 jurisdiction of a statutorily created regional  
4 transportation agency, but for which there is a county  
5 transportation commission, such commission.

6 (c) For a county which is not included within the  
7 jurisdiction of a statutorily created regional  
8 transportation agency or a county transportation  
9 commission but for which there is a council of  
10 governments, and an election has not been made  
11 pursuant to Section 29526; such council. For such a county  
12 for which an election has been made under the provisions  
13 of Section 29526 to form a local transportation  
14 commission, such local transportation commission  
15 authorized in Section 29525.

16 (d) For a county not within the jurisdiction of any of  
17 the above entities, the local transportation commission  
18 authorized in Section 29525.

19 SEC. 2. The heading of Part 3 (commencing with  
20 Section 30000) of Division 10 of the Public Utilities Code  
21 is amended to read:

22  
23 **PART 3. LOS ANGELES REGIONAL TRANSIT**  
24 **DISTRICT**

25  
26 SEC. 3. Section 30000 of the Public Utilities Code is  
27 amended to read:

28 30000. This part shall be known as the Los Angeles  
29 Regional Transit District Law.

30 SEC. 4. Section 30004 of the Public Utilities Code is  
31 amended to read:

32 30004. "District," as used in this part, means the Los  
33 Angeles Regional Transit District.

34 Any reference in any law to the Southern California  
35 Rapid Transit District shall be deemed to refer to the Los  
36 Angeles Regional Transit District.

37 SEC. 5. Section 30100 of the Public Utilities Code is  
38 amended to read:

39 30100. The Southern California Rapid Transit District  
40 is continued in existence as the Los Angeles Regional

1 Transit District, comprising that territory hereinafter  
 2 described in this section lying within the boundaries of  
 3 the County of Los Angeles and such territory in the  
 4 County of Los Angeles and in other counties as may be  
 5 hereafter annexed to the district as provided in this part.  
 6 The territory within the County of Los Angeles which is  
 7 hereby created into such district is described as follows:  
 8 All that portion of the County of Los Angeles, State of  
 9 California, lying southerly of the line formed by the south  
 10 lines of Sections 13, 14, 15, 16, 17, and 18 of Township 3  
 11 North, Range 15 West S.B.B. & M., the south lines of  
 12 Sections 13, 14, 15, 16, 17, and 18 of Township 3 North,  
 13 Range 16 West S.B.B. & M., the west line of Range 16  
 14 West S.B.B. & M., and the south lines of Sections 13 and  
 15 14 of Township 3 North, Range 17 West S.B.B. & M., and  
 16 the westerly extension of such lines in the Rancho Simi to  
 17 the westerly boundary of the County of Los Angeles, and  
 18 westerly of the east line of Range 15 West S.B.B. & M., and  
 19 all that portion of the remainder of said county lying  
 20 southerly of the north line of Township 2 North S.B.B. &  
 21 M., excepting therefrom the islands of Santa Catalina and  
 22 San Clemente.

23 SEC. 6. Section 30265 is added to the Public Utilities  
 24 Code, to read:

25 30265. The board shall appoint an advisory committee  
 26 to review levels of transit service and submit  
 27 recommendations to the board on transit improvements.  
 28 The members of the advisory committee shall serve  
 29 without compensation, and the composition of the  
 30 committee shall include representation from all areas  
 31 within the service area of the district.

32 SEC. 7. Section 99233 of the Public Utilities Code is  
 33 amended to read:

34 99233. The fund shall be allocated by the designated  
 35 transportation planning agency in accordance with the  
 36 following priorities:

37 (a) First, there shall be allocated to the county such  
 38 sums as are necessary for the county to administer this  
 39 chapter.

40 (b) Thereafter there shall be allocated to the



1 transportation planning agency such sums as are  
2 necessary to administer this chapter.

3 (c) Thereafter there shall be allocated to the  
4 transportation planning agency, if it is statutorily created,  
5 or is serving as the California representation to an agency  
6 created by interstate compact, such sums as it may  
7 approve up to 3 percent of annual revenues for the  
8 conduct of the transportation planning process, unless a  
9 greater amount is approved by the secretary.

10 (d) *Thereafter allocations may be made to the*  
11 *multicounty designated transportation planning agency*  
12 *pursuant to Section 99233.7.*

13 (e) Thereafter there shall be allocated to cities and  
14 counties such moneys as are approved by the  
15 transportation planning agency for claims presented  
16 pursuant to Section 99234.

17 ~~(e)~~ (f) Thereafter there shall be allocated to  
18 operators such moneys as are approved by the  
19 transportation planning agency for claims presented  
20 pursuant to Article 4 (commencing with Section 99260)  
21 of this chapter.

22 ~~(f)~~ (g) Thereafter there shall be allocated to cities  
23 and counties such moneys as are approved by the  
24 transportation planning agency for claims presented  
25 pursuant to Article 8 (commencing with Section 99400)  
26 of this chapter.

27 **SEC. 8.** *Section 99233.7 is added to the Public Utilities*  
28 *Code, to read:*

29 *99233.7. After allocations for the purposes specified in*  
30 *subdivisions (a), (b), and (c) of Section 99233, up to 2*  
31 *percent of the remaining money in the fund for the area*  
32 *under the jurisdiction of a county transportation*  
33 *commission may be allocated to the multicounty*  
34 *transportation planning agency which includes that area*  
35 *for long-term transportation system planning pursuant to*  
36 *Section 130301.*

37 **SEC. 9.** *Section 99234 of the Public Utilities Code is*  
38 *amended to read:*

39 99234. (a) After allocations for the purposes specified  
40 in subdivisions (a), (b), and (c) of Section 99233 and



1 *Section 99233.7*, 2 percent of the remaining moneys shall  
 2 be made available to cities and counties for facilities  
 3 provided for the exclusive use by pedestrians and  
 4 bicycles, unless the transportation planning agency finds  
 5 that such moneys could be used to better advantage for  
 6 the purposes stated in Article 4 (commencing with  
 7 Section 99260) of this chapter, or for local street and road  
 8 purposes in those areas where such moneys may be  
 9 expended for such purposes, in the development of a  
 10 balanced transportation system.

11 (b) Claims for such facilities shall be filed in the same  
 12 manner as are claims filed for the purposes of subdivision  
 13 (a) of Section 99400.

14 (c) Such moneys shall be allocated for the  
 15 construction of such facilities pursuant to a priority list of  
 16 such facilities prepared by the transportation planning  
 17 agency for the area within its jurisdiction.

18 (d) Such moneys may be allocated without respect to  
 19 Section 99231 and shall not be included in determining  
 20 the apportionments to a city or county for purposes of  
 21 subdivisions ~~(e)~~ and (f) and (g) of Section 99233.

22 (e) The transportation planning agency shall review  
 23 its allocations made pursuant to subdivision (a) of this  
 24 section within 30 days after receiving a request for such  
 25 review from any city or county in the area within the  
 26 jurisdiction of the transportation planning agency.

27 *SEC. 10.* Division 12 (commencing with Section  
 28 130000) is added to the Public Utilities Code, to read:

29  
 30 **DIVISION 12. COUNTY TRANSPORTATION**  
 31 **COMMISSIONS**

32  
 33 **CHAPTER 1. GENERAL PROVISIONS, FINDINGS, AND**  
 34 **DEFINITIONS**

35  
 36 130000. This division shall be known and may be cited  
 37 as the County Transportation Commissions Act.

38 130001. The Legislature hereby finds and declares  
 39 that:

40 (a) Public demand for an efficient public

1 transportation system in the southern California region  
2 resulting from population sprawl, the concentration of  
3 many transit dependent citizens in the large urban areas,  
4 and increasing mobility requirements indicates a need  
5 for improved, as well as more innovative, policy and  
6 decisionmaking institutions to resolve these problems.

7 (b) A basic purpose of transportation policy within the  
8 region should be to avoid undesirable duplication of  
9 transportation services, achieve the operation of a  
10 coordinated and integrated transportation system which  
11 will reduce automobile usage and dependency, reduce  
12 the consumption of scarce and expensive energy fuels,  
13 and reduce the levels of automobile-related air pollution.

14 (c) The transportation system should be designed to  
15 offer low-cost public transportation to all citizens,  
16 particularly those immobilized by poverty, age, physical  
17 handicaps, or other reasons.

18 (d) The transportation system should be designed,  
19 operated, and maintained so that it will be competitive to  
20 the automobile in time, convenience, and in user cost in  
21 order to attract patrons in large numbers, and efforts  
22 should be made to attract patrons with all features of the  
23 system.

24 (e) The transportation decisionmaking process should  
25 be responsive to public values, and provide for the  
26 continuing involvement of the public in the preparation,  
27 revision, and discussion of transportation plans and  
28 services.

29 (f) Transportation planning should recognize that  
30 transportation systems have significant effect on the  
31 physical and socioeconomic characteristics of the areas  
32 served, and emphasis should be given to the protection  
33 and enhancement of the environment and the  
34 restoration of blighted neighborhoods near community  
35 centers.

36 130002. As used in this division, "commission" means  
37 a county transportation commission created pursuant to  
38 Chapter 2 (commencing with Section 130050).

39 130003. As used in this division, "local transportation  
40 zones" mean community transit zones charged with

1 providing intracity or intracommunity trips primarily on  
2 residential streets, and feeding into the regional or  
3 line-haul system. Limited intercity trips within a zone  
4 may be provided.

5 Local transportation zones shall consist of adjacent,  
6 affinity cities or unincorporated areas, with transit  
7 service provided by one city within the zone, or by a joint  
8 powers agreement between two or more cities or  
9 communities within the zone, or by contract with the  
10 regional or line-haul operator. There shall be a single  
11 administration, maintenance, and service facility for each  
12 such zone.

Ops

13  
14 CHAPTER 2. CREATION OF COMMISSIONS

15  
16 130050. There is hereby created a commission in each  
17 of the following counties: Los Angeles, Orange, Riverside,  
18 and San Bernardino.

19 ~~130050~~ 130051. Except as provided in Sections ~~130051~~  
20 ~~and 130053~~ 130052 and 130054, the commission shall  
21 consist of five members appointed as follows:

22 (a) Two members of the board of supervisors  
23 appointed by that board.

24 (b) Two members appointed by the city selection  
25 committee.

26 (c) One member appointed by the executive  
27 committee of the Southern California Association of  
28 Governments.

29 ~~130051~~ 130052. The Los Angeles County  
30 Transportation Commission shall consist of nine  
31 members appointed as follows:

32 (a) Two members of the Los Angeles County Board of  
33 Supervisors appointed by that board.

34 (b) Two members appointed by the Mayor of the City  
35 of Los Angeles, subject to the approval of the City  
36 Council of the City of Los Angeles.

37 (c) Two members appointed by the Los Angeles  
38 County city selection committee, excluding the member  
39 representing the City of Los Angeles. One of the  
40 members appointed shall represent a city operating a

Why such heavy State role?



1 *municipal transit system.*

2 (d) One member appointed by the Governor.

3 (e) One member appointed by the President pro  
4 Tempore of the Senate.

5 (f) One member appointed by the Speaker of the  
6 Assembly.

7 ~~130052~~ 130053. Two counties, each with a population  
8 of 1,000,000 or less, may, upon the approval of both boards  
9 of supervisors and of a majority of the city councils in the  
10 two counties, create a joint county transportation  
11 commission.

12 ~~130053~~ 130054. A joint commission shall consist of five  
13 members appointed as follows:

14 (a) One member from each of the board of supervisors  
15 appointed by that board.

16 (b) One member appointed by each of the city  
17 selection committee.

18 (c) One member appointed by the executive  
19 committee of the Southern California Association of  
20 Governments.

21

22

### CHAPTER 3. ADMINISTRATION

23

24 130100. The commission at its first meeting, and  
25 thereafter annually at the first meeting in January, shall  
26 elect a chairman who shall preside at all meetings, and a  
27 vice chairman who shall preside in his absence. In the  
28 event of their absence or inability to act, the members  
29 present, by an order entered in the minutes, shall select  
30 one of their members to act as chairman pro tem, who,  
31 while so acting, shall have all of the authority of the  
32 chairman.

33 130101. The commission shall establish rules for its  
34 proceedings.

35 130102. A majority of the members of the commission  
36 shall constitute a quorum for the transaction of business,  
37 and all official acts of the commission shall require the  
38 affirmative vote of a majority of the members of the  
39 commission.

40 130103. The acts of the commission shall be expressed

1 by motion, resolution, or ordinance.

2 130104. All meetings of the commission shall be  
3 conducted in the manner prescribed by the Ralph M.  
4 Brown Act (Chapter 9 (commencing with Section  
5 54950), Part 1, Division 2, Title 5 of the Government  
6 Code).

7 130105. The commission shall:

8 (a) Adopt an annual budget and fix the compensation  
9 of its officers and employees.

10 (b) Adopt an administrative code, by ordinance,  
11 which shall prescribe the powers and duties of  
12 commission officers, the method of appointment of  
13 commission employees, and methods, procedures, and  
14 systems of operation and management of the  
15 commission.

16 (c) Cause a postaudit of the financial transactions and  
17 records of the commission to be made at least annually by  
18 a certified public accountant.

19 (d) Appoint a technical advisory committee of transit  
20 operators, ~~a citizen's advisory committee on transit~~  
21 ~~service~~, and such other advisory committees it deems  
22 necessary.

23 (e) Do any and all things necessary to carry out the  
24 purposes of this division.

25 ~~130103~~ 130106. *Notice of time and place of the public*  
26 *hearing for the adoption of the annual budget shall be*  
27 *published pursuant to Section 6061 of the Government*  
28 *Code, and shall be published not later than the 15th day*  
29 *prior to the date of the hearing.*

30 *The proposed annual budget shall be available for*  
31 *public inspection at least 15 days prior to the hearing.*

32 130107. A commission in a county, or a joint  
33 commission in the two counties, with a population of  
34 1,000,000 or more shall appoint a full-time executive  
35 director who shall act for the commission under its  
36 direction.

37 ~~130104~~ 130108. Each member of a commission shall  
38 be compensated at the rate of fifty dollars (~~\$50~~), or  
39 seventy-five dollars (~~\$75~~) where a commission or joint  
40 commission is located in a county or counties, as the case



1 may be, with a population of 1,000,000 or more, for any  
2 compensated at the rate of seventy-five dollars (\$75) for  
3 any day attending to the business of the commission, and  
4 such necessary traveling and personal expenses incurred  
5 in the performance of his duties as authorized by the  
6 commission.

#### 7 8 CHAPTER 4. POWERS AND FUNCTIONS

#### 9 10 Article 1. Corporate Powers

11  
12 130200. The commission has perpetual succession and  
13 may adopt a seal and alter it at its pleasure.

14 130201. The commission may sue and be sued, except  
15 as otherwise provided by law, in all actions and  
16 proceedings, in all courts and tribunals of competent  
17 jurisdiction.

18 130202. All claims for money or damages against the  
19 commission are governed by Division 3.6 (commencing  
20 with Section 810) of Title 1 of the Government Code  
21 except as provided therein, or by other statutes or  
22 regulations expressly applicable thereto.

#### 23 24 Article 2. Contracts

25  
26 130220. The commission may make contracts and  
27 enter into stipulations of any nature whatsoever either in  
28 connection with eminent domain proceedings or  
29 otherwise, including, without limiting the generality of  
30 the foregoing, contracts and stipulations to indemnify  
31 and save harmless, to employ labor, and to do all acts  
32 necessary and convenient for the full exercise of the  
33 powers granted in this division.

34 130221. The commission may contract with any  
35 department or agency of the United States of America,  
36 with any public agency, or with any person upon such  
37 terms and conditions as the board finds is in its best  
38 interest.

39 130222. Contracts for the purchase of supplies,  
40 equipment, and materials in excess of three thousand five



1 ~~hundred dollars (\$2,500)~~ *five thousand dollars (\$5,000)*  
2 shall be awarded to the lowest responsible bidder after  
3 competitive bidding, except in emergency declared by  
4 the vote of two-thirds of the membership of the  
5 commission.

6 130223. If, after rejecting bids received under Section  
7 130222, the commission determines and declares by a  
8 two-thirds vote of all of its members that, in its opinion,  
9 the supplies, equipment, or materials may be purchased  
10 at a lower price in the open market, the commission may  
11 proceed to purchase these supplies, equipment, or  
12 materials in the open market without further observance  
13 of the provisions regarding contracts, bids, or  
14 advertisements.

15

16

### Article 3. Transit Systems

17

18 130250. The commission shall coordinate the  
19 operation of all public transit services within the county  
20 so as to achieve efficient operation thereof and shall  
21 resolve all jurisdictional disputes between public transit  
22 operators. In addition, the commission shall encourage  
23 transit operators and communities to meet public  
24 demands for local and regional public transportation  
25 service.

26 130251. *The commission shall not reduce the size of*  
27 *the service areas under the jurisdiction of presently*  
28 *existing municipal transit operators, or the scope of their*  
29 *operation, without their prior consent.*

30 130252. All plans proposed for the design,  
31 construction, and implementation of guideway transit  
32 systems, rapid transit systems, or major mass transit  
33 systems shall be submitted to the commission for  
34 approval. No such plan shall be approved unless it  
35 conforms to the appropriate adopted regional  
36 transportation plan.

37 ~~130252~~ 130253. Any plan for a transit system proposed  
38 to serve more than one county shall also be submitted for  
39 approval by the Southern California Association of  
40 Governments.

Ops

1 ~~130253~~ 130254. The commission shall designate the  
2 operator of any approved guideway or rapid transit  
3 system.

4 ~~130254~~ 130255. The commission shall require all  
5 planning for guideway and rapid transit systems be  
6 coordinated with the Department of Transportation and  
7 the Southern California Association of Governments.

R.T.

8 ~~130255~~ 130256. The Department of Transportation  
9 shall, and in the case of a chartered city may, design and  
10 construct any approved guideway or rapid transit system.

11 130257. The commission shall require local  
12 transportation zones to meet the following operational  
13 standards:

\*

14 (a) To operate not less than one vehicle per 10,000  
15 population.

16 (b) To operate not less than 10 hours per day and not  
17 less than six days per week.

18 (c) To operate not less than five vehicles in passenger  
19 service.

20 (d) To operate no vehicles or transit equipment over  
21 30 feet in length, or with a seating capacity of over 37  
22 passengers.

23 (e) To operate under full-time supervision.

24 130258. The commission shall require full cooperation  
25 and coordination between the regional or line-haul  
26 operator and the local transportation zones in such  
27 matters as schedules, routes, and exchange of transfers.

Peck

28 The commission shall ensure that regional and  
29 line-haul operators and local transportation zones do not  
30 compete or duplicate services, but assist each other to  
31 provide the maximum level of transit service to the  
32 general public.

33  
34 Article 4. Los Angeles County Transportation  
35 Commission  
36

37 130290. The Los Angeles County Transportation  
38 Commission shall review the present institutional  
39 structure of transit operations within the County of Los  
40 Angeles, the present method of allocating local, state, and



1 federal funds for transit services, and the present levels  
2 of transit service provided within the county.

3 The commission shall prepare a report for submission  
4 to the Legislature containing such recommendations for  
5 changes and improvements in institutional  
6 arrangements, methods of funding, levels of service, and  
7 other matters as, in the opinion of the commission, may  
8 be necessary.

9 130291. The report shall consider and contain  
10 recommendations on the feasibility of establishing a  
11 number of local transportation zones within the County  
12 of Los Angeles to provide an improved level of local- and  
13 community-based transit service. The consideration of  
14 such zones shall include, but not be limited to, the  
15 establishment of local governing boards to direct service,  
16 types of equipment to be utilized, and methods of  
17 allocating funds for this purpose.

18 130292. The report shall address itself to, and contain  
19 recommendations for transit solutions to, the following  
20 goals:

21 (a) The reduction of automobile congestion in and  
22 around the Los Angeles central business district and  
23 other heavily congested corridors and areas within the  
24 County of Los Angeles.

25 (b) The reduction of automobile travel within the  
26 county, to conserve fuel and reduce automobile-related  
27 air pollution.

28 (c) Improvements in the level of transit service for the  
29 handicapped, the poor, the elderly, and other  
30 transit-dependent segments of the population.

31 (d) The upgrading and improvements of blighted  
32 sections of the urban area, with emphasis on restoring  
33 residential neighborhoods in close proximity to  
34 employment centers.

35 130293. A progress report shall be transmitted to the  
36 Legislature not later than July 1, 1976, and the final report  
37 containing all recommendations shall be transmitted to  
38 the Legislature not later than February 1, 1977.



## 1 Article 5. Other Transportation Functions

2  
3 Article 5. Transportation Planning and Programming4  
5 130300. The Legislature finds and declares:

6 (a) That the near-term programming and budgeting  
7 requirements of state and federal law is a cooperative  
8 intergovernmental planning process intended to  
9 determine the foreseeable capital and operational needs  
10 of a multimodal transportation system.

11 (b) That there is an absence of an adequate forum in  
12 which local officials may exercise leadership in  
13 multimodal transportation planning and programming.

14 (c) Therefore, it is in the public interest to define the  
15 roles of various public entities with respect to long-range  
16 system planning and short-range capital and service  
17 planning and programming processes.

18 130301. The multicounty designated transportation  
19 planning agency which includes the area of the  
20 commission shall be responsible for long-range  
21 transportation system planning in such area.

22 Such planning shall be directed to, among other things:

23 (a) Identification of corridors of travel.

24 (b) Definition of the transportation problems of each  
25 corridor.

26 (c) Definition of the transportation goals for each  
27 corridor.

28 (d) Definition of land use goals, with the concurrence  
29 of affected local jurisdictions, that should be supported by  
30 transportation investment decisions in each corridor.

31 (e) Recommendation of priority corridors for major  
32 resource allocations.

33 (f) Recommendation of the mix of alternative  
34 transportation modes appropriate for deployment in  
35 light of the transportation needs and goals for each  
36 corridor.

37 (g) Recommendation of environmental, economic,  
38 energy, and social policies that should guide  
39 transportation investment decision within corridors.

40 (h) Review and comment concerning all near-term

Repe

1 transportation improvement programs after the  
2 development of, but prior to, adoption of such programs  
3 by the commission. Such review shall be conducted in  
4 such a manner that does not unnecessarily slow or  
5 impede the planning and programming process.

6 130302. With respect to the area under its jurisdiction,  
7 the commission shall be responsible for short-range  
8 capital and service planning directed to:

9 (a) Determination of the total amount of funds that  
10 could be available to the commission for transportation  
11 planning and development.

12 (b) Development and approval of a short-range three-  
13 to five-year transportation improvement program with  
14 an annual updated element reflecting all transportation  
15 capital and service priorities within the jurisdiction of the  
16 commission to be developed with all appropriate  
17 coordination and cooperation between the commission  
18 and state and local transportation agencies and operators.

19 The program shall also be developed in coordination with  
20 the multicounty designated transportation planning  
21 agency and shall be reviewed and commented on  
22 pursuant to subdivision (h) of Section 130301.

23 (c) Coordination and approval of all public mass  
24 transit service within the jurisdiction of the commission  
25 and between the jurisdiction of other commissions or  
26 transit operators.

27 (d) Determination or approval of the location and  
28 capacity needs of all capital development projects,  
29 including, but not limited to, exclusive public mass transit  
30 guideway systems and projects on the National System of  
31 Interstate and Defense Highways.

32 (e) Selection of appropriate transportation hardware  
33 and technology.

34 (f) Overall staging of all transportation improvement  
35 projects.

36 (g) Development <sup>of</sup> an annual unified work program  
37 for all transportation planning activities within the  
38 jurisdiction of the commission in cooperation and  
39 coordination with the Department of Transportation and  
40 the multicounty designated transportation planning

Minority duplication

Part



1 agency and in conformance with federal laws and rules  
2 and regulations. Such cooperation and coordination shall  
3 specifically apply to the determination of appropriate  
4 planning methods for projecting and planning  
5 transportation and land use within the jurisdiction of the  
6 commission.

7 **The 130303.** The commission is hereby designated as  
8 the designated recipient for purposes of Section 1604 of  
9 Title 49 of the United States Code for the county in which  
10 it is located.

11 The commission may receive any money pursuant to  
12 Section 1604 of Title 49 of the United States Code for mass  
13 transit purposes, and reallocate such money for such  
14 purposes in accordance with federal law and rules and  
15 regulations.

16 ~~SEC. 8~~ **130304.** The commission shall take all action  
17 necessary to obtain the maximum amount of funding  
18 available pursuant to Section 1602 of Title 49 of the  
19 United States Code. No other public entity in the county  
20 within which the commission is located shall file  
21 application for such funds.

22 **SEC. 11.** Section 199 of the Streets and Highways  
23 Code is amended to read:

24 199. Upon the approval of a proposition by the voters  
25 of an area pursuant to Section 4 of Article XXVI of the  
26 California Constitution, the entity, including, but not  
27 limited to, a transit district, responsible for construction  
28 of an exclusive mass transit guideway project in that area  
29 may submit the project to the department for inclusion  
30 in its resource allocation recommendations. If the project  
31 is located within an area under the jurisdiction of a  
32 statutorily created regional transportation agency  
33 including a county transportation commission, the  
34 project shall be approved by the agency prior to being  
35 submitted to the department.

36 The department shall submit its resource allocation  
37 recommendations for that project for the comment and  
38 review of the transportation planning agency designated  
39 in Section 29532 of the Government Code for the area,  
40 except that in the case of a project located within an area



1 under the jurisdiction of a statutorily created regional  
2 transportation agency, including a county transportation  
3 commission, the project shall be approved by the agency.  
4 In addition all projects shall be submitted by the  
5 department to the State Transportation Board for their  
6 approval as being in conformance with the regional  
7 transportation plan for that area and California  
8 Transportation Plan, before the department presents its  
9 budget recommendations to the commission for funding  
10 the project from the State Highway Account under such  
11 terms and conditions as the commission and board deem  
12 appropriate and subject to the percentage limitation of  
13 Section 200.

14 If, at any time during the resource allocation decision  
15 process, the department or commission is unable to  
16 achieve an agreement with the entity concerning a  
17 transit project, the entity, the department, or the  
18 commission may request the Secretary of Business and  
19 Transportation Agency to convene and chair a  
20 committee composed of an equal number of members of  
21 the board and commission to resolve the disagreement.

22 The funds set aside pursuant to this section shall be  
23 deemed expenditures on the state highway system for  
24 purposes of Sections 188, 188.8, and 188.9 and shall be  
25 separately identified in the budget report submitted to  
26 the Legislature pursuant to Sections 143.1 and 143.2.

27 ~~SEC. 10~~ *SEC. 12.* No appropriation is made by this  
28 act, nor is any obligation created thereby under Section  
29 2231 of the Revenue and Taxation Code, for the  
30 reimbursement of any local agency for any costs that may  
31 be incurred by it in carrying on any program or  
32 performing any service required to be carried on or  
33 performed by it by this act.



**SOUTHERN CALIFORNIA  
RAPID TRANSIT DISTRICT**

425 SOUTH MAIN

LOS ANGELES, CALIFORNIA 90013

TELEPHONE (213) 972-6000

**JACK R. GILSTRAP**  
GENERAL MANAGER

March 3, 1976

**TO:** Board of Directors

**FROM:** Jack R. Gilstrap

**SUBJECT:** AB 1246 (Ingalls) RTD Reorganization Bill

In early 1975, when Assemblyman Ingalls introduced AB 1246, and several other reorganization bills were tossed into the hopper, primarily in response to our 68-day strike, your RTD Board instructed the staff to oppose any provision which would diminish the District's funding and the Board's range of legislative authority. However, the staff was also instructed specifically not to take a position one way or other on legislative provisions dealing with the composition of the RTD Board on the theory that this was a matter that ought to be left to the Legislature.

By the summer, most reorganization bills had died except AB 1246 which, through a series of amendments, had taken form to create a new Los Angeles County Commission which would essentially duplicate the RTD Board in composition and assume most of its authority, plus additional authority over fund allocation. We were able to kill AB 1246 on the Senate side, with the help of a number of other organizations which were in opposition at that time. A week or so later, however, the author was able to secure votes for committee reconsideration--the bill has been on the Senate Committee on Public Utilities, Transit and Energy agenda for such reconsideration since August of last year.

Yesterday AB 1246 was heard in the Senate Committee on Public Utilities, Transit and Energy. In line with your Board's instruction, the staff requested of the committee that the bill be held in committee 30-45 days to give the District additional time to study it and work with the author on possible amendments. We were successful in having the bill held in committee; however, the committee admonished the District to submit our requests to the author and the committee as soon as possible and be prepared to have the bill heard in committee at its next meeting on March 16.

Both the author and the committee made it clear in the hearing that they were not particularly pleased with what they consider to be RTD's procrastination in getting down to offering specific amendments to the author if we have things in mind. It is my judgment and that of our legislative advocate that we must act now if we are to sustain whatever sympathy we may have with the author and this Senate committee regarding accepting changes in AB 1246 we feel are important. The issue is now becoming one of legislative courtesy; in other words, there is little likelihood that the bill will be held up again on the strength of RTD's feeling we need to study it more before we'll know what amendments we want to offer.

Given this situation, it seems to me that the District has two fundamental alternatives: simply oppose the bill or offer amendments to try to correct the provisions which can have the most adverse impact on public transportation in our area.

In regard to alternative one -- oppose the bill -- RTD is the only opponent to AB 1246 which now is flatly opposed (not trying for specific changes), and which is working against the bill. Most of the agencies which had problems before and which worked hard against the bill have been mollified by the author through amendments to the bill. The City of Los Angeles, SCAG, League of California Cities (Los Angeles Division), etc., are supposed to be in opposition, but their positions are lukewarm lip service opposition at best now. The County has no position at all on the bill, while the Los Angeles City Mayor's office is actively in support of it. The author has worked very effectively to satisfy one opponent after another, e.g., Los Angeles County now appoints 5 of 11 members on the new commission instead of the original 3; the municipal bus operators are guaranteed their systems cannot be reduced without their approval, while RTD's may be cut back with or without the RTD Board's okay; while SCAG loses some authority, they get in return the first ever State legislative recognition of their agency, plus permanent funding of 1% of the SB 325 sales tax money which is about \$1.25 million per year (not a bad trade at all for SCAG and the Legislature since this money comes primarily out of RTD's operating funds); the City of Los Angeles gets 3 votes on the new commission instead of its present 2 on the RTD Board; the City of Long Beach is guaranteed 1 appointee to the new commission and, while the other cities in the County have only two appointments to the new commission (three if you count the one guaranteed to Long Beach), the cities' opposition is blunted rather effectively since the bill will divide up RTD's funds and service area among those cities which desire to go into and/or expand their bus systems in the county.



The upshot of all of this is that AB 1246 is probably going to pass whether we like it or not and in spite of RTD's opposition, so in flatly opposing the bill we forfeit whatever chance we may have to provide input to it.

As to the possibility of a veto, we would be surprised to see the Governor exercise this option as the Administration has not opposed the bill to this point. Caltrans has reservations about the bill but considers the bill to be primarily a local issue which would have little state-wide impact.

It is my recommendation, therefore, that we try to work with the author by offering him and the Legislature our best thought in the form of amendments to what we feel are the worst features of the bill and those features the author might be willing to change. Along these lines, I feel we cannot dissuade the author from his insistence on establishing a new commission in Los Angeles County with authority to allocate the transit funding in our County. Neither can we change his mind about assigning to this new commission the authority to give the rapid transit construction job to some agency other than RTD if it so chooses. As far as these basic features of the bill are concerned, I feel we should state our reservations, i. e., another level of bureaucracy, duplication of the RTD Board, delay in rapid transit effort in shift of responsibility, etc., but we should not continue to directly oppose this feature of the legislation because to do so is, in effect, to oppose the entire concept of the bill which would get us right back where we are now. Rather we ought to offer suggestions to make the new commission -- if it must be -- as effective as possible.

Attached for your consideration are the specific provisions of the bill I feel we should try to have changed along with a statement of why and suggestions as to how. Also attached is the latest version of AB 1246 and a copy of the Senate PUTE Committee's analysis of the bill (although prior to its latest amendments, many elements of this analysis are still pertinent). It is my recommendation that the Board adopt at its March 3 meeting these proposed changes as RTD's suggested amendments to AB 1246 and that the staff be authorized to present them to the author and the appropriate legislative committees and other key legislators and work to have as many as possible of them included in the bill.

Proposed Amendment Concepts to AB 1246

Local Transportation Zones - The bill mandates the establishment of local transportation zones with independent governing boards. The definition of a local transportation zone is cities or unincorporated areas which contain an economic center or major trip generator with a large percentage of short and medium range transit trips (page 18, section 130257).

The concept of local transportation zones is untried and may upon closer study be viewed as destructive and contrary to sound transportation planning.

It is recommended that the Commission in its report to the Legislature in February, 1978, address the feasibility of establishing local transportation zones but that establishment of local transportation zones not be mandated at this time.

Labor Protective Agreement 13(c) - The bill is silent with respect to the responsibility for labor protective benefits under Section 13(c) of the UMTA Act.

This creates a situation whereby the transit operators without absolute control of matters of policy relating to the operation of their systems would be faced with the substantial financial burden of paying claims of its employees whose employment situation is worsened. The potential in AB 1246 with its implied intent of creating new operations gives rise to numerous opportunities for 13(c) claims against the transit operators.

It is recommended that the Commission assume financial responsibility for all 13(c) claims of the District's employees arising from a worsened job situation.

Bus System Planning and Operation - The bill provides that the commission shall coordinate the operation of all public transportation services and shall have a staff to analyze plans submitted by the regional and local transportation operators being responsible for interpreting these plans into a short range transportation improvement program (page 12, section 130056, page 16, section 130250).

This provision permits the commission to assume the established prerogatives and responsibilities of the District Board and the city councils of the various municipal operators, thus, further removing the decision making from the local level.

It is recommended that legislative intent specify that the Commission shall limit its activities to the resolution of conflicts between operators and to the allocation of funds. In addition it is recommended that the short range planning responsibility be retained by the District Board and the city councils of the various municipal operators and that these short range plans be submitted to the commission for its review and incorporation into a countrywide transportation improvement plan. The commission in turn will submit the countywide plan for inclusion in the statewide transportation plan or, in the case of any routes crossing county boundaries, will be submitted to the multi-county planning agency for their review and inclusion in the regional plan.

Federal Grants - The bill provides that any public entity under the jurisdiction of the commission may only apply for federal grants under condition prescribed by the commission (page 23, section 130304).

It appears that this language would give the commission indirect control over the amount of service to be provided because it would give the commission a veto of any application which fails to meet whatever conditions it chooses to impose. Requiring an operator to comply with whatever conditions the commission sees fit to levy would effectively remove from the operator the ability to exercise its own good judgment on what capital and operating projects are needed in order to function efficiently.

It is recommended that the District and municipal operators retain the authority to apply for federal grants with the county transportation commission having a review authority.

Competing Services - AB 1246 mandates that the commission shall insure that operators do not compete or duplicate services. Further, the bill provides that the commission shall not reduce funds received by municipal operators or their service areas without the expressed approval of the city concerned, (page 19, sections 130258, 130259).



The language in the bill in effect requires the commission to always rule in favor of municipal operators regarding the question of competing services.

It is our recommendation that the commission, upon petition of an affected carrier, be empowered to examine the situation and make a finding. Upon finding that continued competition is detrimental to the public interest, the commission may order one or the other lines, but not necessarily the regional operator, to cease competitive operations. Failure to comply would give the commission authority to disproportionately reduce the offending carrier's SB 325 revenues.

Proliferation of Operators - The bill encourages the proliferation of small inefficient transit operations to provide local transit service (page 18, section 130257 (d)).

The language in the bill is likely to induce the creation of more carriers, thus diminishing the quality of transit service provided by requiring more transfers and increasing fragmentation of the transportation system. In addition, such proliferation would tend to diffuse responsibility. This is contrary to the previously expressed intention of the Legislature to create a single transit operator which could provide unified and coordinated service to the area and be directly responsive to the needs of all communities.

It is our recommendation that the proliferation of purely local transit service is contrary to the efficient utilization of resources and the establishment of an effective public transportation system.

Transportation Planning - The bill provides that up to 3% of the SB 325 funds allocated to the region be set aside for transportation planning, (page 5, section 99233(c) ).

This amount when coupled with federal matching monies far exceeds the funds now being set aside for transportation planning and is beyond the amount for which there is a demonstrated need.

It is recommended that the bill be amended to provide that up to 1% of the SB 325 funds be allocated for transportation planning under the control of the commission. The commission in turn would fund the multi-county designated transportation planning agency at the level the commission deems appropriate.

Mileage Formula - The bill provides that the commission may allocate the SB 325 funds in accordance with the existing mileage formula established in the Mills-Alquist-Deddeh Act, or by some new method to be devised or developed by the commission (page 7, section 99285.2).

The District Board has established many new services to meet the transportation needs of the community in anticipation of the receipt of funds allocated on the existing mileage formula.

It is recommended that the existing mileage formula should be retained and that the commission should have complete authority to allocate any new funds to transit operators in its discretion.

Rapid Transit Guideway Operator - The bill provides that the commission shall designate the Rapid Transit District as operator of rail rapid transit in Los Angeles County unless a two-county guideway system is proposed in which case a new joint powers agency would be formed (page 17, section 1302545).

The designation of the District as the operator of the rail transit system recognizes the expertise and experience of the regional operator and enhances the opportunity for success by reducing the coordination problems between the regional rail and bus operator.

In our opinion the Rapid Transit District should be designated as the rapid rail transit operator in Los Angeles County.

RTD Representation - In Los Angeles County the bill provides that the commission shall be composed of 11 members, 5 appointed by the Board of Supervisors, one by the Mayor of the City of Los Angeles, two additional appointees by the Mayor with the consent of the City Council, and three members appointed by the City Selection Committee excluding the City of Los Angeles. One of the three appointed by the City Selection Committee shall be a representative from the city operating the largest municipal transit system, (page 9, section 130051).

The operator providing over 80% of the public transportation within the county is excluded from participation on the commission.

It is recommended that the commission be expanded to 13 members, including two from the Board of Directors of the regional transit operator to be appointed by the President of the Board of Directors.

Taxing Authority - The bill fails to provide any new funding source for the commission to adequately deal with the financial problems confronting operators within the county.

The omission of a new funding source ignores the most basic problem confronting transit operators within the county. A new source of money to fund unmet transit needs and rapidly escalating operating costs is essential if the commission is to be effective.

It is recommended that a new source of funds be identified. One of the most promising sources is the motor vehicle license fee (in lieu tax). It is recommended that the in lieu tax rate currently set at 2% of the market value of each registered vehicle be increased to 3% with the 1% increase being earmarked for public transportation purposes.

SCRTD Name Change - The bill provides that any reference in the law to the Southern California Rapid Transit District shall be deemed to refer to the Los Angeles Regional Transit District, (page 4, section 30004).

This would bring about a costly and unnecessary expenditure of public funds, particularly with respect to repainting 2500 buses plus some 25,000 bus stop signs and signings throughout the District.

It would be our recommendation that the name of the Southern California Rapid Transit District be retained.



Report of the General Manager - Discussion of Assembly Bill  
AB 1246 and Recission of Resolution No. R-75-301 Adopted  
July 16, 1975

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The General Manager's report of out-of-state travel by Directors and staff during the month of February, 1976 was included in the Directors' Board books under Item No. 25.

General Manager Gilstrap reviewed Assembly Bill 1246 (Ingalls), including the merits of the bill and its objectionable features, and recommended working with the author in proposing amendments. Since committee action is scheduled for March 16 Mr. Gilstrap felt that action should be taken at today's meeting.

Director Price agreed with Mr. Gilstrap's report and felt that amendments should be worked out with the author and also felt the Board should rescind the previous resolution adopted by the Board opposing the bill and so moved, which motion was seconded.

Director Holen requested a delay of a few days in order to study the bill more fully and moved tabling of the matter until one of the special Board meetings scheduled in the next few days, which motion was seconded. For discussion purposes, Mr. Holen then withdrew his motion to table.

Director Neusom felt the District should act more through its appointing authorities such as the Board of Supervisors, together with others, that the bill's contents should be more fully reviewed and agreed with the motion to table. He also urged amendments to remove some of the authority from SCAG.

Director Brewster inquired if a draft of a ~~xxx~~ substitute bill, or amendments, could be offered to the author, and

Director Schabarum stated he would be willing to meet with the author but that all of his ideas might not be in complete accord with the rest of the Board.

Mr. Gilstrap suggested that a member of the Board might talk to Assemblyman Ingalls and convince him to postpone the March 16 committee consideration date, and Mr. Neusom stated he could call Ingalls about the possibility of the Board accepting the idea of the commission included in the bill but that the Board had reservations about other provisions and would like to meet with him in the next week or two.

Mr. Schabarum stated that a partial position could be that the Board would support the thesis that the funding allocations on matters connected with transportation be a function of the proposed commission, and Mr. Holen felt the Board should take no position on the bill until after meeting with the author. Mr. Neusom felt we could simply rescind the previous resolution opposing the bill at this time and then talk to the author.

On substitute motion by Director Price, seconded and carried as noted below, the following resolution was adopted:

Ayes:	Brewster, Cook, Gregory, Holen, Neusom, Price, Richter, Schabarum, Takei
Noes:	None
Absent:	Gibbs, Ward

R-76-105

RESOLVED, that Resolution No. R-75-301 adopted July 16, 1975, opposing Assembly Bill 1246, be and the same is rescinded in its entirety.

It was agreed that Mr. Neusom would call the author and attempt to set up a meeting between the author and the Mr. Gilstrap inquired if the Board was interested/<sup>enoi</sup> in a strong commission to have the staff prepare for consideration a report outlining the duties of the commission, including the screening body for capital grants, designated recipient cetera, and, if so, the staff could develop such a concept.

~~...the staff was instructed to prepare~~  
(Director Richter departed at 2:27 p.m.)

President Cook felt the Board should have such a model and, after discussion, the staff was instructed to prepare a concept as described by Mr. Gilstrap. It was also suggested that copies of Mr. Schabarum's previous legislation of several years ago (AB- , 1969) be furnished to the Board.

Mr. Neusom felt the author wanted to deal with the Board and not the staff, and that the proposals should therefore come from the Board.

#### Discussion of Line Evaluations and Ridership Reports

Director Schabarum mentioned that line evaluations had not been submitted recently recommending discontinuance of lines, and Mr. McDonald reported that lines operating below the 20 riders per hour are mainly in the improvement service areas or lines funded by others. He further stated that new services would continue to be evaluated and results brought to the Board for consideration.

Mr. Schabarum inquired if the staff was going to recommend discontinuance of lines either under 20 or over 20 riders per hour, and Mr. McDonald stated the staff would



# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

1060 SOUTH BROADWAY • LOS ANGELES, CALIFORNIA 90015 • TELEPHONE (213) 749-6977

JACK R. GILSTRAP  
GENERAL MANAGER

February 12, 1975

TO: Board of Directors

FROM: Jack R. Gilstrap

SUBJECT: State Legislative Program for 1975-76 Session

Over the years the Southern California Rapid Transit District has actively worked for the passage of sound public transit legislation. The District has been a leader in the sponsorship of legislation to provide public fund support for transit operators in this State. The six month half-cent sales tax measure (AB 2136-Lanterman) passed by the Legislature in 1969 and the one-quarter cent sales tax levy (SB 325-Mills-Alquist-Deddeh) which provided the first ongoing transit funding in this state were bills sponsored by the Rapid Transit District.

As we reported to you in December, the level of activity in Sacramento this session will be hectic. Three bills have already been introduced to reconstitute the Board of Directors of the Southern California Rapid Transit District. In line with direction we have received from the Board Executive Committee, the staff will take no position on these bills to reorganize the District Board. President Neusom has publicly enunciated the Board's position by stating that the matter of the composition of the Board is a political issue and should properly be resolved through the legislative process.

The Board has instructed the staff to encourage legislation to provide the financing needed to carry forward our legislative mandates to build and operate a rapid transit system and to upgrade the existing bus system. Ideally, this funding source should take the form of direct taxing authority for the District, but we must be realistic in recognizing that politically this will be very difficult to accomplish.

As has been reported in the press, a measure (SB 101-Mills) has been introduced to transfer the Rapid Transit District's authority to build a rapid transit system to a new agency and to leave the Rapid Transit District to operate buses only. This issue is certainly separate and apart from the question of the Board structure and therefore it is our recommendation that the Rapid Transit District oppose legislation

to separate the rapid transit and bus system functions. One agency should be responsible for the construction and operation of the rapid transit and bus system; however, in the building of the rapid transit system, other public agencies naturally must play a major role and the District's past record shows our recognition of this fact in the cooperative approach our agency has taken in the development of our plans and proposals.

Directly related to the matter of the Rapid Transit District financing is the issue of diversion of SB 325 one-quarter cent sales tax funds to other cities. It has been suggested that attempts will be made to divert a portion of SB 325 funds which the Rapid Transit District and the present seven municipal bus operators receive to cities which have inaugurated transit service since 1971. As you may recall, the provisions of SB 325 prohibited municipal transit operators formed after 1971 from participating in the distribution of the transit development funds. We understand that there is growing sentiment among these new operators and other cities interested in starting transit systems to amend the law so that they might share in the SB 325 funds.

The Rapid Transit District has not opposed, rather we have assisted, cities which wish to provide new transit services with new sources of funds. However, if the quarter-cent sales tax funds are opened up to the new transit operators, we can anticipate that many cities with little or no transit experience will begin to experiment with their own bus system. Since the effect of such legislation would simply be to take money from the District and other present operators and give it to some one else, it is hard to see how this will improve transit. One thing is sure: it will cause further fragmentation of the transportation system in Los Angeles County. Such a course of action could significantly lessen the quality of public transportation in this area. For these reasons the staff recommends that the District oppose these efforts because it would further erode available funding to the District to operate the system and to qualify for matching funds at the federal level.

Along with the issue of funding we believe the District's legislative authority as the regional transit operator should be strengthened. In recent months the District has been thwarted in attempts to provide regional transit service in areas where our service area overlaps with the municipal operator. In this regard, we should seek the understanding and support of the League of Cities, the City and County of Los Angeles to grant the District the authority to serve the regional transit needs of the areas within our boundaries and to establish such services within the service areas of the municipal carriers if protection is provided the municipal carriers in the form of diversion payments by the District in cases where some passengers



are diverted by the municipal carrier to the Rapid Transit District. In spite of the justification and need for this change, we can expect vigorous opposition from the cities and perhaps others to any attempt to permit the District greater flexibility in providing needed regional service.

Another difficult legislative problem area concerns charter rights for the Rapid Transit District. For the last four years, and on other previous occasions, the District has unsuccessfully sought the right to charter its buses. Nearly every other major bus operator in this state except the Rapid Transit District has the privilege of chartering their buses. The right of charter would permit us to maximize the utilization of equipment and operators during the base periods and would generate badly needed revenues. It is recommended that we again pursue charter rights even though, as in the past, we can expect vigorous opposition from the private charter bus operators and the Teamsters union who represents the private carriers' operators.

In the area of bus system operational matters, we should seek to have legislation introduced to amend the Vehicle Code to permit the operations of the District's two double deck buses and the fleet of articulated buses we anticipate purchasing later this year. A temporary waiver has been obtained from CALTRANS to permit the operation of the double deck bus until such time as legislation can be adopted to change the Vehicle Code height standard. The double deck bus exceeds the current height standard by approximately six inches.

In addition to the double deck bus bill, the District needs and should urge legislation to permit weights in excess of 20,000 pounds on any axle of the articulated bus. The existing law permits heavier weight only on the rear axle. One final operational issue concerns legislation regarding the flasher lights installed on our buses as part of our passenger and operator safety program. A special permit was issued by the California Highway Patrol to permit us to use the flasher lights and we believe the success of this program warrants a permanent change to the Vehicle Code. We have reason to believe that these three items will be supported by the Department of Motor Vehicles and CALTRANS.

A change to the District law is needed to improve our purchasing procedures. The law now requires that for every purchase of \$3000 or more, the District must obtain formal bids. This limit established in 1964 has been eroded by inflation and makes the bidding process more costly and time consuming. It should be noted that a management audit conducted by Cresap, McCormick and Paget for the Senate Public Utilities,



February 12, 1975

Transit and Energy Committee recommended that the bidding dollar limit for BART be raised from \$3000 to \$10,000. We believe that a change to \$5000 is appropriate for the District and consistent with sound purchasing practices.

Perhaps one of the most hotly debated issues in Sacramento this session will be the question of collective bargaining for public employees and the right to strike. Major legislation has already been introduced which establishes a procedure which is in some ways similar to the District's existing fact finding procedure. The measure (SB 275-Dills) is the product of the Joint Committee on Public Employer-Employee Relations and is supported by the leadership of both houses. The bill creates a Public Employee Relations Board to administer the employer-employee relations law. SB 275 provides an impasse resolution procedure and, within the limitations in the bill, permits public employees to strike. As the bill is now written, all transit operators will be covered by the measure. The bill provides for what, in effect, is binding arbitration if the courts judge a strike to imminently imperil public health and safety. Whether a public transportation strike would fall into this definition is a question. If it did, the Rapid Transit District would have binding arbitration in that the court could direct acceptance of the fact finders' report; if not, the District would be just about where it is today if this proposed legislation passes. It is the staff's recommendation that we carefully monitor this bill, but not take a prominent position on it.

In the area of transit labor relations, we can expect legislation sponsored by the labor unions which may be viewed as a reaction to the 68-day strike. One bill has been introduced (AB 331-Lockyer) which prohibits public agencies from purchasing advertisements stating a management position regarding a labor dispute. It is believed that the District should oppose AB 331 and any other bills which restrict the District's rights to inform the public.

As we have previously reported to you, we will be working very closely with the various committees of the Legislature as we anticipate a substantial number of bills will be introduced regarding public transit. If there is no objection, the staff will pursue the general legislative program outlined above and will continue to keep the Board informed throughout the legislative session as developments occur.

Respectfully,

  
Jack R. Gilstrap

REMARKS BY  
THOMAS G. NEUSOM  
PRESIDENT, BOARD OF DIRECTORS  
SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
BEFORE THE  
CALIFORNIA LEGISLATURE  
ASSEMBLY COMMITTEE  
ON  
TRANSPORTATION  
FRIDAY, DECEMBER 13, 1974

\*\*\*\*\* (FINAL FOUR PAGES OF TESTIMONY) \*\*\*\*\*

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-- EQUITABLE DISTRIBUTION OF THE INCIDENCE OF  
SERVICE, BENEFITS, AND IMPACTS

EQUAL RECOGNITION HAS BEEN GIVEN TO NEEDS FOR BOTH LONG-DISTANCE AND COMMUNITY-LEVEL TRAVEL AND IN BOTH THE IMMEDIATE FUTURE AND THE LONGER RANGE.

THE DISTRICT RECOGNIZES THE NEED FOR A PROCESS OF CONTINUAL GOAL IDENTIFICATION AND DEFINITION IN ACCORDANCE WITH CHANGING COMMUNITY NEEDS AND DESIRES. THIS PROCESS IS IMPLIED IN THE ADOPTION OF THE TRANSIT DEVELOPMENT PROGRAM THIS PAST SUMMER. A CONTINUATION OF THIS EFFORT IS A PART OF THE DISTRICT'S ON-GOING SHORT AND LONG TERM PLANNING PROGRAM.

TIME DOES NOT PERMIT FURTHER AMPLIFICATION OF THE CARE AND THOROUGHNESS WHICH ARE MAJOR FACTORS IN THE PLANNING PROCESS AT THE DISTRICT. THAT THE ELECTORATE HAS FAILED TWICE WITHIN SIX YEARS TO FURTHER TAX THEMSELVES IN ORDER TO MAKE A START ON RAPID TRANSIT IS NOT A TRUE REFLECTION OF PUBLIC SENTIMENT. HAD THE REFERENDUM BEEN SIMPLY RAPID TRANSIT, YES OR NO, I CAN ASSURE YOU THE RESULT WOULD HAVE BEEN A LANDSLIDE OF YES VOTES. WHAT



HAPPENED ON NOVEMBER 5TH WAS NOT A REPUDIATION OF THE SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT. IT WAS A REJECTION OF YET ANOTHER LAYER OF TAXATION AT AN EXTREMELY TROUBLED TIME. WHEN BOTH ADDED TAXATION AND GOVERNMENT GROWTH ARE SIMPLY NOT POPULAR.

BUT WHEN AN ELECTION IS LOST, IT IS INEVITABLE THAT THE DOOMSAYERS AND DOWNSHOUTERS TAKE THE FIELD. RECIMINATION IS THE ORDER OF THE DAY. SOONER OR LATER THE CALL WILL COME: "THROW THE RASCALS OUT." IN THIS CASE IT WAS SOONER.

LET ME SAY THIS: NO 11 HUMAN BEINGS, OR SEVEN, OR WHATEVER THE NUMBER, CAN BRING TO ULTIMATE FRUITION A PROGRAM IN WHICH THE MANDATES ARE CLEARLY STATED BUT FOR WHICH THE PRIME CONSIDERATION OF TAXING AUTHORITY IS EXPRESSLY FORBIDDEN.

YET WE BELIEVE THAT WE MUST MOVE AHEAD, AND WE MEAN TO DO SO. THE PLAN FOR TRANSIT IMPROVEMENTS ADOPTED BY THE BOARD OF DIRECTORS MUST BE IMPLEMENTED. THE NEED FOR PUBLIC TRANSPORTATION IN THE SOUTHLAND IS GREAT, AND NO ONE IN A POSITION OF RESPONSIBILITY IN OUR BUSINESS BELIEVES THAT THE NEED WILL DIMINISH.

ON THE CONTRARY, IN SPITE OF INFLATION AND THE SERIOUS ECONOMIC DOWNTURN, THERE IS NO QUESTION THE PUBLIC TRANSPORTATION IS A GROWTH INDUSTRY. THE SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT HAS ACTED, AND WILL CONTINUE TO ACT ACCORDINGLY.

GENTLEMEN, WE CAN USE ALL THE HELP WE CAN GET. IF THERE IS SOME NEW MAGIC IN REORGANIZATION WHICH WAS NOT AVAILABLE IN 1964 OR 1957 OR ANY OF THE OTHER YEARS WHEN IT WAS EASIER TO REORGANIZE STAFF THAN TO REORDER PRIORITIES AND GET ON WITH THE JOB, THEN SHARE THIS MAGIC WITH US.

I HESITATE TO OFFER PERSONAL RECOMMENDATIONS TO YOU. REORGANIZATION OF A STATE AGENCY IS OF NECESSITY POLITICALLY ORIENTED. I WOULD ASK THAT IN YOUR CONSIDERATIONS FOR CHANGE, YOU INCLUDE THE TOOLS WHICH ANY BOARD, ELECTED OR APPOINTED, MUST HAVE IN ORDER TO FUNCTION WITH ULTIMATE EFFECTIVENESS.

WITHOUT ATTEMPTING TO OVERSIMPLIFY, I WOULD SUBMIT THAT TAXING AUTHORITY COMBINED WITH REASONABLE FREEDOM FROM UNNECESSARY CONSTRAINTS SHOULD TOP THE LIST OF ANY LEGISLATION APPLIED TO THE SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT.

LOS ANGELES HAS WAITED 50 YEARS FOR ACTION ON RAPID TRANSIT. THAT SHOULD BE LONG ENOUGH.

AT THIS TIME, THE DISTRICT IS MOVING FORWARD AGGRESSIVELY TO IMPLEMENT THE BUS IMPROVEMENT ELEMENTS OF ITS LONG RANGE PLAN. CONCURRENTLY, A STARTER LINE FOR THE FIXED GUIDEWAY SYSTEM IS WITHIN REACH. ALTERNATIVE CANDIDATES ARE UNDER INTENSIVE STUDY. WHEN THE NATIONAL MASS TRANSPORTATION ASSISTANCE ACT WAS SIGNED INTO LAW RECENTLY, THE NECESSARY FEDERAL FUNDING WAS ASSURED, USING GASOLINE TAX REVENUES AS A LOCAL SHARE.

THANK YOU FOR YOUR ATTENTION.

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GENERAL MANAGER'S REPORT TO THE BOARD OF DIRECTORS  
NOVEMBER 19, 1974

Mr. President and Members of the Board. My report today is quite extensive. It is an appropriate time to recap District activities leading up to the November 5 election on Proposition A and to report on some of the important things we must accomplish in the months ahead.

This report covers three major areas: our aggressive bus improvement program; vital legislative activities in Sacramento and Washington, D. C.; and what lies ahead in rapid transit.

District Accomplishments to Date

To begin with, it may be well to take a moment and look at the accomplishments of this agency and they are significant. Over the past few years the District has added 22 new lines; 600 new one-way route miles; increased its fleet by over 400 buses; and stepped in to fill the voids created by the failure of five private carriers, thus maintaining transit service in Watts, East Los Angeles, San Pedro, Inglewood and Pasadena. We have initiated more innovative transit services than any bus system in the Country, including the Freeway Flyer, Downtown Minibus, Park and Ride Service, Subscription Bus Service and the highly successful El Monte Busway Program. The Busway stands as a model nationally

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of the imaginative and highly effective utilization of buses in a rubber-tire-oriented metropolitan area.

The first contraflow lane in Los Angeles was established on Spring Street just a few months ago. Today it moves 112 buses during peak afternoon traffic to connecting freeway operation.

The Street Fleet bus service to the beaches from inland communities was established just this last summer to the great joy of beach goers throughout the County.

We all know of the multitude of new programs added with the help of Los Angeles County financing. Within the past few months we have increased our operating fleet by over 250 buses which are being used to handle the increased passenger loads resulting from the highly successful 10¢ Sunday and 25¢ Flat Fare programs. This latter program, of course, eliminated the 300+ zones which had complicated our operation for years.

In addition to these service activities the District has continued an aggressive training program that is now producing trained middle-management people who one day will be the backbone of this operation. Our Affirmative Action Program in the top three employment levels has led to a 38.8% increase in minorities.

All of these programs have acted to increase our overall pre-strike ridership some 22% which stands as the greatest increase in transit usage of any system in the United States according to American Transit Association reports.

## Improvement Programs Under Way

A very important service improvement program now under development is the joint Los Angeles County-RTD effort to obtain the use of existing rail tracks for commuter service in Los Angeles County. Within the next few weeks we expect to file a petition with the Public Utilities Commission in regard to this matter. Further, we are working with the County to seek railroad approval and Amtrak participation in the early implementation of a test commuter rail operation on the Santa Fe track between Orange County and Los Angeles County. This program would require significant bus system support and facilities in the suburban areas and at the downtown terminal. Fast collection and distribution service as well as parking where possible near the suburban stations and proper handling of passengers at rail stations must be provided. This project, if successful, could well be the turning point in the use of existing rail facilities for improved public transportation.

Turning to the bus system, within days the first of 300 new buses ordered last spring will be going into regular service.

Our first double-deck bus has been off loaded in New York and is on its way to Los Angeles. The RTD is the initiator in the experimental use of this type of bus of contemporary design which has the capability of increasing driver productivity by nearly 40%.



An additional 40 minibuses are now on order for the expansion of the downtown minibus program and for special purpose use in providing transit service to the physically handicapped under a program already authorized by your Board of Directors.

We believe we are close to finalizing plans for a new park and ride operation in the Santa Monica area using exclusive bus and carpool lanes on the Santa Monica Freeway. A Hollywood Freeway exclusive lane operation is also under development with the help of the California Department of Transportation (Caltrans).

The 25¢ Flat Fare funding by the County for this year provides for the experimental operation of grid bus systems in the San Fernando Valley and South Central Los Angeles, and the implementation of an experimental saturation bus service on Fairfax Avenue, doubling the service on the line by cutting headways from 12 to 6 minutes between Wilshire and Sunset Boulevards. Our current timetable calls for staged implementation from January 5 through March 2, so that the entire program will be in operation for at least four months of this fiscal year. These new services will involve over 200 additional buses.

In mentioning these new services, it should be noted that a significant effort is involved in expanding the District's fleet by this number of buses. Such an expansion amounts to increasing our fleet by a bus system approximately the size of the entire San Diego transit operation. It means

the recruiting, hiring and training of four to five hundred new employees; the acquisition through lease of two new facility sites along with the investment of over \$200,000 in facilities and equipment for maintenance and operation in the South Central area and San Fernando Valley; it means the planning and laying out of numerous new lines, the cutting of schedules and runs; it means an extensive public information and marketing effort; and it means a substantial increase in the overall responsibility and work load of the agency throughout the organizational structure.

All of this effort is required in order to operate these new services, although they are currently funded only through this fiscal year. While we are hopeful that the County will provide the funding necessary to continue these important services into next fiscal year, at this point there is no guarantee of such funding. Even with the passage of Federal operating assistance legislation this year, it is unlikely that there would be enough operating assistance made available to the District under that legislation to eliminate the need to call on County Federal Revenue Sharing assistance if we are to maintain the current 25¢ Flat Fare and the expanded system.

In December we shall be presenting to you for consideration a funding proposal for submission to the County for maintaining and augmenting these programs in Fiscal Year 1976. If adopted by your Board, the

proposal should be presented to the County for their consideration in budgeting for next fiscal year.

With continued Los Angeles County financial support, we are hopeful that the transfer interchange between the RTD and municipal services can be further improved.

Also in the area of new bus system programs, we are working closely with the Orange County Transit District in the coordination of a new park and ride operation and other expanded bus services.

Since the District first qualified for capital assistance under the Urban Mass Transportation Act of 1969, we have embarked on improvement programs totaling \$140 million, of which nearly \$43 million have come from highway funds for the Busway. Nearly \$106 million have been expended or committed leaving a balance of \$34 million yet to be committed. In addition to the Busway, these projects cover the purchase of 1,078 buses; construction improvements to five operating divisions; and the purchase of trucks, autos, shop equipment, two-way radios; a computer system and many other items for the modernization of our total operation.

Later this fiscal year, we will be filing an application to UMTA to fund further improvements and expansion, because as our fleet grows so do our needs for transportation and maintenance facilities.

With the action of the Board of Directors last week, 100 new, full-size transit buses will be purchased for delivery in mid-fiscal 1976.



In addition, the District anticipates completing specifications soon for the purchase of new buses which will provide for access by handicapped citizens.

In evaluating the impact of the strike on ridership we cannot readily make the usual comparison of one period compared to another because of the effect of the flat fare. Our best estimates are that present passenger volume is approximately 8% below that of the period immediately preceding the strike. If, however, we give weight to the normal seasonal trends in riding, we would estimate that we are 15% below anticipated levels had the strike not occurred. Because of the strike, it is now necessary for us to intensify our marketing and advertising effort.

Augmenting these important service programs now under way, are a number of internal organizational activities. Bus system marketing is getting special emphasis, as will employee courtesy, employee relations, governmental and community relations activities. Additionally, we will continue our vigorous efforts to provide safe, reliable transportation for our passengers.

In the past months we have dealt forcefully with the problem of assaults on our operators. Today all RTD buses are equipped with large roof numbers and special flasher lights to assist the police in providing protection for our employees and patrons. The efforts of the local

enforcement agencies are commendable in helping to bring this community problem under control. During the next twelve months we anticipate that we will have installed on every RTD bus a two-way radio and silent alarm system. We will also be moving forward in cooperation with the school district to develop a public information, educational program to communicate to the young people in the schools the serious impact of violence and vandalism on the total community.

The need to intensify communications at the community level is twofold. We need more community input to our planning process and, of course, more community support for Federal and State legislation to improve the quality and quantity of public transportation. Our community relations program is aimed at these objectives. We will soon be implementing a decentralized surface planning pilot program which we think offers real advantages to the community and the District in meeting the needs of our transit users.

Also in the planning area, and in response to the Board's request, your staff will be preparing programs to provide more useful information regarding passenger statistics and line-by-line profiles showing ridership and community benefit.

All in all, the bus system improvement program accomplishments to date, along with the activities under way, represent a bus service improvement program unsurpassed in the United States in terms of both magnitude and innovation. The Los Angeles area can be proud of this program.

Sacramento and Washington, D. C.

We can anticipate an active year in Sacramento and Washington.

In 1951 the Legislature created the Metropolitan Transit Authority (MTA), our public agency predecessor, as a planning agency for rapid transit.

The MTA had a seven-man Board of Directors appointed by the Governor.

This agency accomplished little because it had no public financing and its authority was limited to planning and development only of a monorail

line from the San Fernando Valley to Long Beach. Such a service would have competed with the private transit systems in the County, and,

therefore, was opposed by these organizations.

The 1957 Legislature restructured the MTA to permit it to issue revenue bonds to purchase and operate the private bus and rail systems in the metropolitan area and to use fare box revenue to develop a rapid transit system. The theory was that if the public agency had fare box revenues it could build the rapid transit system without tax money. No one in modern times has been able to do that, but this fact was ignored.

When private financing and fare box revenues proved inadequate for the job, the Legislature acted in 1964, again not to solve the financing problem, but rather to reorganize the MTA into the current RTD. The Governor-appointed MTA Board was restructured, this time into a locally appointed Board of Directors.

Today, some ten years later, the defeat of Proposition A has brought forward the same old frustration among elected officials.



And again, instead of centering on the agency's fundamental fiscal inadequacy, the attention is directed at the agency's policy structure, a much safer course politically.

Suggestions for new legislation are already being made. One calls for a nine-member, elected Board. Another would have the County take over the agency. And still another would create a seven-member Board, five to be appointed by the County and two by the City of Los Angeles. As the new Legislature convenes in December and in January, we can expect to see many bills along these lines, most of which will avoid dealing with the real issue, financing, and instead center on the low political risk approach of restructuring the agency.

Unlike nearly every other major transit system, the RTD has never been provided its own taxing authority and, therefore, the ability to carry out its mandates. BART has had taxing authority, Alameda-Contra Costa Transit District has had it, even Orange County has had it, but not the RTD.

Also in Sacramento, legislators no doubt will turn their attention to formulating a statute which would help to avoid disastrous transit strikes, such as we have had in the last fifteen months at BART, AC in Oakland and at RTD.

We can also expect legislative attention in Sacramento to exclusive bus use on freeway lanes, senior citizen fares, commuter rail experiments and rapid transit construction. These matters and numerous bills

covering motor vehicle code, safety and insurance that are heard at every session of the Legislature will keep us extremely busy in Sacramento this coming year.

The scene in Washington, D. C., is equally active. It is expected that S. 386, the compromise Senate-House legislation providing approximately \$11.8 billion in operating and capital assistance to transit over the next five years, will be considered in the lame duck session which reconvened November 18. It is expected that the Senate will vote on this issue this week with House consideration, at the earliest, just prior to Thanksgiving. The District is playing a prominent role in this legislative activity at the Washington level. Our agency is working directly with our L. A. County Delegation in support of these measures. In addition, last week we participated in a Conference of Mayors meeting in The White House with Secretary Brinegar, who pledged the Administration's full support of S. 386. Our District, through your General Manager who is a Vice President of the American Public Transit Association and Chairman of the industry's Governmental Affairs Committee, is directly responsible for coordinating the transit industry's overall legislative efforts in Washington.

## Where We Go on Rapid Transit

The defeat of Proposition A is not a rejection of the need for better public transportation. There is no doubt that the worsening condition of the national economy was the overriding issue leading to the defeat of this transit funding measure. An additional tax simply was not acceptable to the voters at this time.

Strong evidence of this fact is the election in June of this year when the voters in Los Angeles County did vote by a 61% majority to use a portion of the gasoline tax for rapid transit construction. It is to this source of funds we must look to begin construction of the desperately needed transit system.

Acting on the Board's resolution passed at your last meeting, we have submitted a letter of intent to the State Department of Transportation stating for the record on behalf of the District and other jurisdictions concerned in our County our intent to file a formal application for the use of gasoline tax funds for the design and construction of the initial components of a regional, fixed-guideway rapid transit system for Los Angeles County. I might add that prior to sending this letter, it was discussed with Caltrans here in Los Angeles including Haig Ayanian, the District Engineer. All agreed such a letter should be on record expressing our agency's definite intent to pursue this course.



In the general discussion of grade-separated, high-capacity transit, we must not forget the near-term project we are working on with the County, specifically the commuter rail experiment mentioned earlier. This program can be implemented near term, given appropriate approvals, and thereby we can begin to prove the feasibility of rail transit as a means of meeting today's public transportation needs.

It ought also to be recognized that the election loss obviously affects the implementation schedule, but does not change the fact that we have an adopted transit development program that has been incorporated into SCAG's regional transportation plan and ratified by the various technical groups in other agencies which have participated in the formation of the program. It is, in fact, a tribute to the technical staffs of the agencies in this region that they have shown uncommon ability in this instance to get together while reserving options on mode and specific alignment. The plan has also received, with some exceptions, the broad support of the political leadership of the community.

Our best information on the amount of gasoline tax funds which might be available under Proposition 5 comes from Caltrans. They indicate that approximately \$208 million could be available for rapid transit in Los Angeles County during the period 1975-1980. Approximately half of this amount could be committed by the State of California, while the other half would require the approval of the cities and County of Los Angeles. Each of the 78 cities and County (for its unincorporated territory) receive an allotment under the Proposition 5 program, which in total equals approximately \$100 million over the next five years.

Needless to say, attaining approval of all of these jurisdictions on a single program will be difficult. However, since approximately \$100 million is under the control of the State of California, we can be encouraged by the strong indication of support from Caltrans and from the new State Administration on the idea of moving ahead using gasoline tax funds for rapid transit improvements.

As indicated, the approvals on the use of these funds rest in the State, the County and all of the cities in our County. The RTD cannot receive funds directly without the approval of these agencies.

As to the possible projects such money might be adequate to fund, we are already at work with Caltrans and the other jurisdictions in the development of alternatives. Some that appear to have promise include: a full scale starter line selected out of the total 145-mile, initial-phase corridor plan; a starter line using light rail on the portions of the total program where existing rights-of-way exist; busway construction (although there is real doubt as to whether Prop 5 money can be used for any bus-oriented project); and the possible construction of a people-mover project in one or more of our area's major activity centers. Whatever project evolves, it should be coordinated with our existing transit system, in particular the San Bernardino Busway.

Looking to funding at the Federal level, we see how crucial it is that we obtain passage as soon as possible of major Federal aid legislation. If we assume that S. 386 passes and that approximately

\$1 to \$1- $\frac{1}{2}$  billion in capital assistance becomes available to the Los Angeles area over the next five to six years, we begin to see that on a 4 to 1 matching basis the potential \$208 million of Prop 5 money could go a significant way toward providing the funding necessary to build a substantial backbone rapid transit line.

It would be your staff's intent to pursue these alternatives, working in concert with Caltrans, the cities and other planning agencies which are directly involved, so that as soon as possible, and hopefully by the end of this calendar year, we can begin to zero in on a consensus program for active development early in calendar 1975. It is important that the responsible agencies in Los Angeles County get together on such a project so that we might obtain our share of Federal matching funds early on. If we do not, those funds will go to other metropolitan areas which already have their projects qualified for such assistance. We simply cannot let the defeat of Proposition A be used as an excuse by the Federal Government to send those Federal dollars to other metropolitan areas. They must understand immediately that we intend to proceed aggressively and that we do have adequate local matching funds in the form of gasoline tax funds to begin a modest but effective rapid transit program.

#### Summary

In summary, Mr. President and Members of the Board, the loss of Proposition A is indeed disappointing, but not discouraging.



The need for transit improvement is no less pressing after this unsuccessful election. Service to transit dependent groups, potentials for auto diversions as a means to help achieve clean air goals, to reduce congestion and, most importantly, to conserve our fuels are critical, immediate community objectives.

We have an obligation to the Los Angeles metropolitan area. We have to face the stark reality that there is no major metropolitan area in the United States as vulnerable as Los Angeles to the devastating effects of gasoline shortages and major price increases and indications are that such are virtually inevitable. Those of us who understand this and are in a position to help do something about it must do so. Our work is cut out for us, and we're under way.

Needless to say, attaining approval of all of these jurisdictions on a single program will be difficult. However, since approximately \$100 million is under the control of the State of California, we can be encouraged by the strong indication of support from Caltrans and from the new State Administration on the idea of moving ahead using gasoline tax funds for rapid transit improvements.

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BACKGROUND MATERIAL REGARDING  
AB 1246 (INGALLS) AND RELATED ISSUES  
PRESENTED TO THE SCRTD BOARD OF  
DIRECTORS OVER THE PERIOD FROM  
NOVEMBER, 1974 TO MARCH, 1976.

AB 1246 (Ingalls)  
As Amended 2-2-76  
Gov't. Code, Public  
Util. Code, Streets &  
Highways Code  
Sen. P.U.T. & E. Comm.

Date of Hearing: 3-2-76

BACKGROUND

The serious transportation problems which exist in Southern California have been the subject of much study and legislation. There is some question on whether the large population concentrated in this area, much of which is "transit dependent," is being adequately and efficiently served by present policy and decision-making institutions.

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There have been many attempts at solving these transit problems. Some attempts have involved creating new agencies, while others have involved changing present agencies.

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DESCRIPTION

AB 1246, as amended 2-2-76, provides:

(1) That the Southern California Rapid Transit District be renamed the Los Angeles Regional Transit District.

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(2) That there are created county transportation commissions in the counties of Los Angeles, Orange, Riverside and San Bernardino. The purpose of these commissions is to coordinate transportation service, to approve transit system planning, and approve all public mass transit projects.

These commissions would develop and approve a short-range transportation program for all capital and service planning. This would include development of a transportation improvement program, unified work program, selection of hardware, and the approval of all mass transit services. The commissions would also coordinate transit service and federal aid and state highway planning.

The commission may enter into agreements with Caltrans for the Dept. to provide services for the development and construction of any approved mass transit guideway system or rapid transit system.



Composition of Commissions:

## I. L. A. County - 11 members.

- A. Each member of the Board of Supervisors or appointed alternates.
- B. Mayor of Los Angeles or appointed alternate.
- C. 2 members appointed by the Mayor of Los Angeles, with the consent of the City Council. No consent is necessary for an appointee who is a member of the City Council.
- D. 3 members appointed by the L.A. County City Selection Committee, excluding the member representing L. A. One of the appointees is to represent a city operating the largest municipal transit system.

## II. Orange County - 5 members.

- A. 2 members of the Board of Supervisors, one of whom shall serve on the Board of Directors of the Orange County Transit District.
- B. 2 members appointed by the Orange County City Selection Committee, one of whom shall serve on the Board of Directors of the Orange County Transit District.
- C. 1 member appointed by the other 4 commissioners. This appointee is to be a county resident and cannot be serving, or have served, as an elected official of a city within the county or as an elected official of the county within the last 10 years.

## III. Riverside County - 5 members.

- A. 2 members of the Board of Supervisors, one of whom is to represent a supervisorial district in the Coachella Valley area in the county.
- B. 2 members appointed by the Riverside County City Selection Committee.
- C. 1 member appointed by the other 4 members. This member is to be a county resident and cannot be an elected official of a city within the county or an elected official of the county.

## IV. San Bernardino County - 9 members.

- A. 1 member of the Board of Supervisors who represents a supervisorial district in the Los Angeles-Long Beach urbanized area.
- B. 1 member of the Board of Supervisors who represents a supervisorial district in the San Bernardino-Riverside urbanized area.
- C. 1 member of the Board of Supervisors who represents a district in the desert area of San Bernardino County.
- D. 2 members appointed by the City Selection Committee who are from cities of the Los Angeles-Long Beach urbanized area in San Bernardino County.
- E. 1 member appointed by the County City Selection Committee who is from a city in the San Bernardino-Riverside urbanized area of the county.
- F. 1 member appointed by the Mayor of the City of San Bernardino with the consent of the San Bernardino City Council.
- G. 2 members appointed by the other seven members who have a continuing and public interest-oriented concern for transportation in the county.

(3) AB 1246 also provides that the Southern California Association of Governments be the "multi-county designated transportation agency" responsible for long-range transportation system planning. The multi-county agency would, among other things, (a) identify travel corridors; (b) define land use goals; (c) recommend priority corridors for funding; (d) recommend environmental and socio-economic policies that should guide transportation in the corridor.

SCAG would coordinate the short-range plans and transportation improvement programs developed by commissions.

Other functions of the multi-county agency would be to administer local SB 325 funds for projects approved by the commission and to review in a timely manner all transportation improvement programs prior to their adoption by commissions. Up to 3% of available SB 325 funds are

made available for transportation planning and programming process. After deductions for administrative costs, up to 1% would be allocated to SCAG and the remaining 2% would be allocated to the commissions.

The bill permits the Los Angeles County Transportation Commission, at its discretion, to allocate SB 325 funds on a basis other than the current mileage formula.

#### COMMENTS

(1) This measure would change substantially the institutional and financial structure of transportation in Southern California. Proponents of this measure argue that there is, at present, a lack of coordination in Southern California of existing information related to mass transit which has resulted in the absence of firm transit policy decision-making on a regional basis. They argue that SCAG, because it is a voluntary organization, lacks the statutory authority to implement transit policy decisions. Proponents state that the creation of the commissions under the coordination of SCAG would create the kind of policy-making mechanism necessary to alleviate some of the present confusion in transit policy development.

(2) There is a concern that this bill would further fragment the administrative and planning responsibilities in the regions affected. The "transportation commission" concept is felt to add a new layer of government to the local transportation planning process without a corresponding assurance of an increase in efficiency. It is also felt that the money needed to support the administration of such commissions would be better spent on transit services.



(3) Section 13030(h) of the bill provides that conflicts regarding the coordination of plans and short-range transportation improvement programs shall be resolved in conformance with federal regulations. This appears to be inviting federal intervention which may not be desirable, as decisions might then be reached which are contrary to the intent of this measure (i.e., lodging near-term planning with SCAG rather than with the newly created commissions).

(4) The bill permits the Los Angeles Transit Commission to deviate, at its discretion, from allocating funds according to the presently used "mileage ratio formula" without providing guidelines for alternatives. This might open the door for a series of allocation regulations that would further complicate and confuse the funding process under SB 325.

(5) It is unclear in the bill why the Los Angeles Transit Commission is permitted to allocate 325 funds, yet SCAG is to administer the 325 funds for the other commissions.

(6) Another criticism of AB 1246 is that a separation based on geographic boundaries is artificial and decentralizing. Further, the role the multi-county agency (SCAG) is to play in the regional planning process is not well-defined. Although SCAG will be assigned the long-range planning functions, these appear limited to reviewing, recommending, and commenting.

(7) The main question here is will the commissions created by this legislation serve to consolidate and improve transit development or will they merely add to the present confusion?

(8) The author has indicated that substantial amendments to this bill are forthcoming. These changes will address the areas of the distribution of SB 325 funds in Los Angeles County, establishment of local transportation zones, and providing for regular meetings between SCAG, Caltrans and the local commissions to review transit policies.

POSITIONS

Oppose:

Southern California Association of Governments.  
SCRTD.  
L. A. Division of League of California Cities.

Minutes of Executive Session of the Board  
of Directors - February 26, 1976

The Board of Directors adjourned into Executive Session at 4:15 p.m.

Directors Cook, Neusom, Price, Takei, Gibbs, Richter, Gregory, Holen and Brewster were present along with staff members Gilstrap, Powers, Wilkens, Foster and McDonald.

Mr. Gilstrap gave a report on status of AB 1246. Director Holen explained the content of AB 1246, and suggested the District try to delay the bill so that it can be studied with a view toward offering amendatory language. Mr. Gilstrap explained that the bill has been outstanding since last August and it may not be possible to delay it; also said if we intend to work with the author, we should let him know. It should be conveyed to the Legislature that we need 30-45 days to review this and work with the author for a change in language.

Mr. Neusom reported that a meeting was scheduled for 9:30 a.m., Tuesday, March 2, 1976 in Chicago with Mr. Fasser and the Union attorneys.

Adjournment: 5:00 p.m.





Southern California Rapid Transit District  
425 South Main St., Los Angeles, California 90013  
Telephone: (213) 972-6000

JACK R. GILSTRAP  
General Manager

February 10, 1976

To: All SCRTD Board of Directors  
From: Jack R. Gilstrap  
Subject: Assembly Bill 1246

As we enter the second half of the 1975-1976 legislative session, there are many important pieces of legislation that deal directly with transit in Los Angeles County, but none with more far reaching ramifications to the District than AB 1246 (Ingalls/Vicencia). The bill was passed by the Assembly last year, heard by the Senate Committee of Public Utilities, Transit and Energy, and killed in that committee. However, it has been granted reconsideration and amended twice more.

Basically, the bill could open the District's sales tax base under the Mills-Alquist-Deddeh Act (SB 325) to other transit operators in the area. SB 325 provides operating and capital funds on a percentage-of-miles-operated basis only to the District and to seven municipal operators who were serving the public on March 1, 1971. It is the largest single source of funds for District operations.

AB 1246 establishes a Los Angeles County Transportation commission which is given much of the authority now vested by statute with the Board of Directors. The commission would have the authority to perform short-range service and capital planning, coordinate all service within its jurisdiction, determine or approve the location of all capital development projects, select appropriate hardware (presumably even bus specifications) and technology and stage all transportation improvement projects.

.../...

February 6, 1976

Assembly Bill 1246 also explicitly encourages municipalities to either separately, or by intercity agreement, operate their own systems within the District.

The commission would consist of 11 members - 5 county supervisors or appointees; Mayor of Los Angeles or alternate and two appointees of the mayor with council confirmation; three members chosen by the city selection committee, one of whom must be from Long Beach.

Your board by resolution No. 75-301, dated July 17, 1975, was in opposition to AB 1246.

  
Jack R. Gilstrap

*D.R.S. Executive Staff*

ASSEMBLY COMMITTEE ON TRANSPORTATION

CALIFORNIA LEGISLATURE

-REMARKS BY-

JACK R. GILSTRAP  
GENERAL MANAGER, SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

DECEMBER 5, 1975

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, LADIES  
AND GENTLEMEN:

MY NAME IS JACK GILSTRAP AND I AM GENERAL MANAGER  
OF THE SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT.

I APPRECIATE THE OPPORTUNITY TO PROVIDE TESTIMONY  
CONCERNING THE FUTURE OF STATE TRANSPORTATION FINANCING,  
WITH EMPHASIS ON THE RTD PROGRAM AND THE DISTRICT'S  
FINANCIAL NEEDS.

AS YOU KNOW, THE RTD IS THE LARGEST TRANSIT  
OPERATOR IN CALIFORNIA. MORE THAN ONE-THIRD OF THE  
STATE'S POPULATION IS SITUATED IN OUR SERVICE AREA.  
THE DISTRICT, THEREFORE, RECOGNIZES AND ACCEPTS ITS  
RESPONSIBILITY TO CARRY THE MAIN THRUST PRESENTING  
AN OVERVIEW OF THE FINANCIAL OUTLOOK FOR PUBLIC TRANS-  
PORTATION.

WITHIN THE PAST DECADE, SOCIAL AND ENVIRONMENTAL  
CONCERNS HAVE CAUSED COMMUNITIES THROUGHOUT THE NATION  
TO EVALUATE THEIR SITUATIONS AND FORMULATE GOALS FOR



THE FUTURE. IN THE MATTER OF MOBILITY FOR THE GENERAL PUBLIC, THIS QUESTIONING AND CHALLENGING OF THE STATUS QUO DISCLOSED ON THE ONE HAND AN EXTREME CONCENTRATION ON PROMOTING THE USE OF THE PRIVATE AUTOMOBILE, AND ON THE OTHER A PUBLIC TRANSPORTATION SERVICE WEAKENED THROUGH YEARS OF NEGLECT.

TWO SIGNIFICANT DEFECTS OF SOLE RELIANCE ON THE AUTOMOBILE BECAME APPARENT. FIRST, A SUBSTANTIAL SEGMENT OF THE POPULATION COULD NOT SATISFY THEIR BASIC MOBILITY NEEDS BY USE OF THE AUTOMOBILE BECAUSE OF AGE, INFIRMITY OR FINANCIAL HARDSHIP.

IN THE LOS ANGELES AREA, SOME 15% OF OUR CITIZENS ARE EITHER TOO YOUNG, TOO OLD, OR TOO POOR TO DRIVE AN AUTOMOBILE. THAT IS MORE THAN ONE MILLION PEOPLE. FOR THIS SEGMENT OF OUR POPULACE, NO PROGRAM OF STREET AND HIGHWAY CONSTRUCTION HAS ANY MEANING UNLESS THERE IS AN ACCEPTABLE LEVEL OF PUBLIC TRANSIT TO PROVIDE WHAT FOR OTHERS MAY BE AN ALTERNATIVE, BUT FOR THE TRANSIT DEPENDENT IS A NECESSITY. SECOND, AVOIDABLE USE OF THE AUTOMOBILE, PARTICULARLY IN METROPOLITAN AREAS, WAS WASTEFUL OF LIMITED RESOURCES OF LAND, AIR AND ENERGY. THESE INSIGHTS HAVE LED TO PUBLIC POLICY TO SUPPORT PUBLIC TRANSIT AS AN ESSENTIAL ALTERNATIVE.

WE REGRET THAT THE STATE HIGHWAY COMMISSION, IN A STATEMENT TO THIS COMMITTEE, STIPULATES THAT "PUBLIC TRANSPORTATION HAS BEEN PROJECTED AS THE SOLUTION TO ALL TRANSPORTATION PROBLEMS." THIS IS NOT OUR PHILOSOPHY AT THE RTD, AND IT NEVER HAS BEEN. WE ACCEPT THE FACT THAT PUBLIC TRANSIT WILL CARRY ONLY A MODEST PORTION OF THE TOTAL TRIPS MADE DAILY IN OUR COMMUNITY, BARRING A CATASTROPHIC DISRUPTION OF THE NATION'S LIFESTYLE. BUT WE SUBMIT THAT THE CONTRIBUTIONS OF PUBLIC TRANSIT ARE VITAL TO THE ECONOMY. WE MOST ASSUREDLY AGREE WITH THE OBSERVATION EARLIER THIS WEEK BY LOS ANGELES COUNTY SUPERVISOR JAMES HAYES, THAT TRANSPORTATION IS NOT A SPECIAL INTEREST ANY MORE THAN IS THE AIR WE BREATHE.

DURING THE PAST SEVERAL YEARS, MAJOR PROGRESS HAS BEEN MADE BY THE DISTRICT TOWARD ACHIEVEMENT OF ITS GOAL TO IMPROVE PUBLIC TRANSIT. THE REASON CAN BE EXPLAINED IN A NUMBER OF WAYS, BUT MOST EASILY IN ONE WORD: MONEY. THE CALIFORNIA LEGISLATURE CAN TAKE PRIDE IN BEING THE PRIME MOVER IN THIS AREA. SENATE BILL 325 WAS THE BREAKTHROUGH WHICH ENABLED THE DISTRICT, AS WELL AS TRANSIT PROPERTIES THROUGHOUT THE STATE, TO

BEGIN THE LONG-AWAITED TURNAROUND WHICH HAS LED TO A RE-BIRTH OF PUBLIC TRANSPORTATION. WERE IT NOT FOR SB 325, THE SCRTO MIGHT HAVE BECOME A THING OF THE PAST, ALONG WITH THE MTA AND COUNTLESS OTHER TRANSIT ORGANIZATIONS WHICH COULD NOT SURVIVE ALONE IN AN UNEVEN COMPETITION WITH THE PRIVATE AUTOMOBILE.

ADDITIONALLY, IN THE LAST TWO YEARS THE DISTRICT HAS RECEIVED FINANCIAL SUPPORT FROM THE COUNTY OF LOS ANGELES. DURING A 30-MONTH PERIOD, THE COUNTY HAS BUDGETED SOME \$56 MILLION TO IMPROVE SERVICE, MOST NOTICEABLY WITH BUS GRIDS IN THE SAN FERNANDO VALLEY AND SOUTH CENTRAL LOS ANGELES DURING FISCAL YEAR 1975, AND MAJOR SERVICE IMPROVEMENTS IN EAST LOS ANGELES, THE MID-CITIES REGION, AND THE SAN GABRIEL VALLEY DURING THE PRESENT FISCAL YEAR. THE COUNTY SUBSIDY ALSO ENABLED THE DISTRICT TO REDUCE ITS BASE FARE TO 25 CENTS, AND TO REPLACE AN ARCHAIC SYSTEM OF 206 ZONES WITH A SIMPLIFIED SYSTEM OF BUT THREE. BECAUSE OF A PROLONGED WORK STOPPAGE IN 1974, THE DISTRICT LOST FOREVER SOME \$5 MILLION OF THIS SUBSIDY.

THE FEDERAL GOVERNMENT HAS LIKEWISE RECOGNIZED THE IMPORTANCE OF PUBLIC TRANSIT AND HAS PROVIDED THE MAJOR PORTION OF CAPITAL IMPROVEMENTS, LARGELY IN THE ACQUISITION OF ROLLING STOCK, AS WELL AS FUNDING IN LARGE PART THE HIGHLY SUCCESSFUL EL MONTE-LOS ANGELES EXCLUSIVE BUSWAY.

THIS FINANCIAL SUPPORT HAS GIVEN US THE WHEREWITHAL TO PROVIDE A 40% GROWTH IN SERVICES. IN ORDER TO ACHIEVE THIS GROWTH RATE, WE HAVE INCREASED OUR BUS FLEET BY 25% AND OUR WORK FORCE BY A COMPARABLE NUMBER. OUR PATRONAGE HAS GROWN TO A POINT WHERE WE CARRY NEARLY A MILLION RIDERS IN AN AVERAGE WEEK DAY. THERE ARE MORE THAN 25,000 BUS STOPS ON SOME 3800 MILES OF STREETS AND FREEWAYS IN THE SERVICE AREA. THE EL MONTE BUSWAY ALONE CARRIES SOME 14,000 RIDERS DAILY, AND OUR COUNTY-WIDE PARK AND RIDE PROGRAM HAS REMOVED MORE THAN 2000 VEHICLES DAILY FROM OUR OVERCROWDED FREEWAYS.

WHILE THIS GROWTH HAS GIVEN US GREAT SATISFACTION, IT HAS ALSO GIVEN US CAUSE FOR CONCERN WITH RESPECT TO THE FUTURE.

WHERE WILL WE BE TWO YEARS FROM NOW, FINANCIALLY?  
WHERE WILL WE BE THREE, FOUR AND FIVE YEARS FROM NOW?



RECOGNIZING THAT AN ADVANCE INSIGHT INTO OUR FINANCIAL REQUIREMENTS WAS NEEDED FOR AT LEAST A FIVE-YEAR PERIOD, DISTRICT STAFF PROJECTED OUR OPERATING, FINANCIAL, AND CAPITAL IMPROVEMENT NEEDS THROUGH FISCAL YEAR 1981. THESE PROJECTIONS HAVE BEEN PRESENTED TO OUR BOARD OF DIRECTORS, WHICH HAS THEM UNDER CONSIDERATION, ALTHOUGH NONE HAS BEEN FORMALLY ADOPTED. THE NUMBERS, AS YOU MAY WELL IMAGINE, GIVE PAUSE FOR THOUGHT. WE HAVE BEEN ABLE TO IDENTIFY SEVERAL REASONS WHY THIS IS SO.

1. A DETERIORATING FLEET. RAPID EXPANSION OF SERVICE, COUPLED WITH A THOUGHTFUL, IF DIFFICULT, DECISION TO PURCHASE NO NEW BUSES NOT FULLY ACCESSIBLE TO THE ELDERLY AND HANDICAPPED, HAS PRODUCED A FLEET MUCH OLDER THAN IS PRACTICAL TO MAINTAIN. THE DISTRICT IS PRESENTLY TAKING DELIVERY ON THE LAST 100 NEW BUSES ORDERED BEFORE THE ADOPTION OF THE ACCESSIBLE BUS RESOLUTION. WHILE 400 NEW FULL-SIZE BUSES HAVE BEEN ACQUIRED IN THE PAST YEAR, MORE THAN 130 PIECES OF USED EQUIPMENT FROM OPERATORS IN OTHER CITIES HAD TO BE PURCHASED TO IMPLEMENT SCHEDULED SERVICE IMPROVEMENTS.

DURING THE PAST TWO YEARS, NOT A SINGLE BUS, INCLUDING MORE THAN 200 WITH A MILLION MILES OR MORE OF WEAR, HAS BEEN RETIRED FROM SERVICE BECAUSE OF AGE.

WHILE THE PRESENT AVERAGE AGE OF THE FLEET OF ROUGHLY NINE YEARS IS COMPARABLE TO THAT OF OTHER MAJOR PROPERTIES IN THE NATION, THE ADVERSE IMPACT OF THE DISTRICT'S SELF-IMPOSED INABILITY TO BUY ANY NEW BUSES FOR THE NEXT 24 TO 36 MONTHS WILL SHARPLY REDUCE THE OVER-ALL FLEET EFFICIENCY.

WITH RESPECT TO THE PRESENT STATUS OF OTHER TRANSIT OPERATORS, IT IS OF INTEREST TO NOTE THAT PHILADELPHIA PRESENTLY HAS 350 BUSES ON ORDER, THAT CHICAGO HAD ORDERED MORE THAN 1000 BUSES TO BE DELIVERED OVER A TWO-YEAR PERIOD, THAT HOUSTON WILL TAKE DELIVERY OF 351 NEW BUSES DURING THE SAME TIME, AND THAT ST. LOUIS HAS PLACED ORDERS FOR 640 BUSES TO BE DELIVERED BETWEEN NOW AND 1979.

2. OBSOLETE FACILITIES. ONLY THE MOST AGGRESSIVE PREVENTIVE MAINTENANCE PROGRAM CAN KEEP THIS DETERIORATING FLEET IN SERVICE. YET OUR FACILITIES DATE BACK TO THE TURN OF THE CENTURY, AND MOST ARE TOTALLY INADEQUATE TO SUSTAIN SUCH A PROGRAM FOR A PROTRACTED PERIOD. THE RIDING PUBLIC IS LARGELY UNAWARE OF THE COMPLEX OPERATION WHICH KEEPS THE FLEET ROLLING. THIS SAME PUBLIC WILL SURELY SUFFER, IF, FOR LACK OF THE PROPER TOOLS, THE FLEET CHALKS UP TOO MANY MISSOUTS.

3. DECREASING FINANCIAL SUPPORT FROM THE RIDER. RELATIVE TO OTHER COSTS OF LIVING, THE PRICE OF PUBLIC TRANSIT HAS DECLINED SHARPLY. SINCE 1968, THE LAST YEAR IN WHICH THE DISTRICT OPERATED SOLELY FROM FAREBOX REVENUES, THE COST OF LIVING HAS INCREASED MORE THAN 60%. YET OUR BASE FARE HAS ACTUALLY DECLINED 20%.

THIS RAISES A COMPLEX ISSUE... THAT OF ESTABLISHING AN EQUITABLE FARE STRUCTURE. THE CONCLUSION SEEMS INESCAPABLE THAT THE TAXPAYING PUBLIC WILL LOOK TO THE RIDER TO PAY A GREATER SHARE OF THE

COST OF SERVICE. THIS ISSUE IS FURTHER COMPLICATED BY THE FACT THAT BOTH TRADITION AND GOVERNMENTAL STATUTES OBLIGE THE DISTRICT TO PROVIDE REDUCED FARES FOR THE ELDERLY, THE HANDICAPPED, AND STUDENTS. THESE FARE CONCESSIONS ARE APPLIED TO AN EVER INCREASING PORTION OF OUR PATRONAGE AS MORE AND MORE OF THESE INDIVIDUALS RESPOND TO THE REDUCED FARES BY RIDING THE SYSTEM, CREATING AN ADDITIONAL COST BURDEN ON BOTH THE REGULAR RIDER AND THE TAXPAYER WHO SUPPORTS THE SERVICE WITH SUBSIDIES. HAVING CONSIDERED THESE FACTORS, STAFF IS PROPOSING TO OUR BOARD THAT A TEN-CENT INCREASE IN THE BASE FARE IS APPROPRIATE IN THE COMING FISCAL YEAR.

IN STUDYING THESE CONSIDERATIONS, THE DISTRICT FINDS ITSELF IN AGREEMENT WITH THE BASIC PREMISE OF YOUR COMMITTEE AS STATED IN THE PROSPECTUS DISTRIBUTED TO THOSE OF US WHO WERE INVITED TO SPEAK BEFORE YOU:

1. JUST TO MAINTAIN THE EXISTING LEVEL OF TRANSIT SERVICE WILL REQUIRE ADDITIONAL FUNDING IN THE NEXT TWO YEARS.



2. IF TRANSIT SERVICE IS TO BE IMPROVED, AS PLANNED BY MANY COMMUNITIES, INCLUDING, HOPEFULLY, LOS ANGELES, EVEN LARGER AMOUNTS OF STATE AND LOCAL FUNDING WILL BE REQUIRED.

A PERFECTLY LOGICAL QUESTION AT THIS POINT IS HOW, IN JUST FIVE YEARS, HAS THE RTD GONE FROM A SELF-SUPPORTING AGENCY TO ONE WHICH REQUIRES TWO-THIRDS OF ITS SUPPORT FROM THE TAXPAYER?

THERE ARE FOUR ANSWERS:

1. RAMPANT, RUNAWAY INFLATION WHICH HAS SEEN THE COST OF LIVING RISE 50% IN FIVE YEARS.

2. AS A LABOR INTENSIVE INDUSTRY, WITH SOME 85% OF ITS BUDGET ALLOCATED TO THE COST OF SUSTAINING ITS WORK FORCE, THE DISTRICT HAS FELT AN ABNORMALLY HEAVY IMPACT FROM LABOR CONTRACTS WHICH HAVE BEEN NEGOTIATED

UNDER, AND SOMETIMES DURING, THE DURESS OF A WORK STOPPAGE.

3. REDUCED FARES TO HALT THE DOWNWARD TREND IN RIDERSHIP AND MAKE THE SERVICE MORE ATTRACTIVE TO THE OPTIONAL RIDER.

4. VASTLY IMPROVED SERVICES IN BOTH LOCAL AND COMMUTER AREAS.

NOW TO THE NUMBERS. KEYING ON THE TWO APPROACHES JUST STATED, THE DISTRICT HAS PROJECTED TWO CASES ASSOCIATED WITH ITS FIVE-YEAR FINANCIAL PLAN.

IN ONE OF THESE, A MINIMUM EXPANSION PLAN, A SHORTFALL OF \$29 MILLION IS FORESEEN BY FISCAL YEAR 1978. BY FISCAL YEAR 1981, THE DEFICIT HAS INCREASED TO \$90 MILLION. NOT COUNTING A PROJECTED ALLOCATION OF \$17.8 MILLION IN FEDERAL REVENUE SHARING FUNDS FROM LOS ANGELES COUNTY IN FISCAL YEAR 1977, THE AGGREGATE DEFICIT FOR THE FIVE-YEAR PERIOD IS \$240 MILLION. AND I POINT OUT AGAIN THAT THIS IS A PROJECTION WHICH ALLOWS FOR ONLY A MINIMUM OF GROWTH WITH NO NEW SERVICES.

A PROGRAM WHICH IS ORIENTED TO DESIRABLE SERVICE PRODUCES A DEFICIT WHICH RISES FROM \$39 MILLION IN FISCAL YEAR 1978 TO \$133 MILLION IN FISCAL YEAR 1981. IN THIS CASE, SETTING ASIDE THE COUNTY'S ANTICIPATED SUBSIDY OF \$21.4 MILLION IN FISCAL YEAR 1977, THE FIVE-YEAR ACCUMULATED REQUIREMENT FOR ADDITIONAL FUNDING COMES TO \$349 MILLION.

YOU MAY RIGHTFULLY ASK WHAT THIS MONEY WILL BUY. I WOULD LIKE TO TELL YOU THAT \$349 MILLION WOULD MAKE POSSIBLE A QUANTUM JUMP IN PUBLIC TRANSIT FOR LOS ANGELES. THIS IS NOT THE CASE. THIS MONEY WILL ENABLE THREE THINGS TO HAPPEN.

1. WE WILL BE ABLE TO ~~MAINTAIN AND~~ PARTIALLY MODERNIZE THE THIRD LARGEST BUS FLEET IN THE UNITED STATES. I SAY PARTIALLY MODERNIZE BECAUSE EVEN THIS PROGRAM WILL ONLY ENSURE THAT NO BUS IN THE RTD FLEET WILL BE OLDER THAN FIFTEEN YEARS.

2. WE WILL BE ABLE TO UPGRADE THE PHYSICAL PLANT WHICH SUPPORTS THE FLEET.

3. WE WILL BE ABLE TO COMPLETE A MASSIVE EXPANSION OF LOCAL SERVICE THROUGHOUT THE 2280 SQUARE MILES SERVED BY THE RTD. WITH THE EXPERIENCE OF THE EXCLUSIVE LANE

EL MONTE BUSWAY AND PREFERENTIAL LANES ON THE SANTA MONICA FREEWAY. A REGION-WIDE PROGRAM OF EXPEDITED COMMUTER SERVICE WILL BE IMPLEMENTED IN COOPERATION WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION. CERTAINLY NO PROGRAM HOLDS GREATER PROMISE FOR MORE EFFECTIVE UTILIZATION OF OUR PRESENT FREEWAY SYSTEM THAN THE NEAR-TERM PLAN FOR PREFERENTIAL TREATMENT OF HIGH-OCCUPANCY VEHICLES IN SPECIAL LANES.

THIS MONEY WILL ALSO SUPPORT THE VITAL DOWNTOWN COLLECTOR AND DISTRIBUTION SYSTEM FOR THE UPCOMING COMMUTER RAIL PROGRAM IN LOS ANGELES, ORANGE, AND SAN DIEGO COUNTIES. THE DISTRICT IS SETTING ASIDE A NUMBER OF BUSES FOR THIS PROGRAM.

AS A CONSENSUS DRAWS NEAR ON A RAPID TRANSIT STARTER LINE IN THE COMMUNITY, IT IS BECOMING APPARENT THAT WITHIN FIVE YEARS, FIXED GUIDEWAY RAPID TRANSIT MAY BECOME A REALITY. OUR BUS PLANS HAVE TAKEN THIS FACTOR INTO CONSIDERATION. IN THOSE AREAS INITIALLY SERVED BY RAPID TRANSIT, LOCAL BUS SERVICE WILL CONVERT READILY TO CIRCULATION LINES, MULTIPLYING THE VALUE AND IMPACT OF THE RAPID TRANSIT SERVICE ITSELF.



WHAT WE SEE AS THE MAJOR BENEFIT OF THIS EXPENDITURE IS FINAL EMERGENCE OF A TRUE MULTI-MODAL TRANSPORTATION SYSTEM FOR LOS ANGELES, ONE WHICH COMPARES WELL WITH THOSE NOW IN EXISTENCE IN THE MAJORITY OF THE WORLD'S OTHER GREAT CITIES.

IN THIS AGE, NO MODERN CITY IS BUILT CHEAPLY. WE ARE DEALING WITH URBAN SPRAWL, AND THERE IS NO WAY TO DEAL WITH IT EXCEPT ON ITS OWN TERMS.

WE HAVE DEALT WITH SOME OF THE NUMBERS. NOW LET US EXPLORE SOME OF THE SOLUTIONS TO THE REQUIREMENT FOR NEW FUNDING WHICH SEEM APPROPRIATE AT THE STATE LEVEL.

LET ME INTERJECT AT THIS POINT THAT I FEEL SOMEWHAT LIKE THE YOUNG MAN WHO WAS CALLED IN BY HIS FATHER, TOLD OF HIS NEW RESPONSIBILITIES, AND THEN DISPATCHED INTO THE WORLD TO DO GOOD THINGS. THE PROBLEM ARISES, OF COURSE, WHEN THESE GOOD THINGS MUST BE PAID FOR AND THE REALIZATION COMES THAT OLD DAD DIDN'T COUGH UP A CREDIT CARD WITH WHICH TO BUY THEM.

THE SCRPTD, IF ITS ORIGINAL CHARTER HAD INCLUDED DIRECT TAXING AUTHORITY, WOULD NOT BE IN THE POSITION IT IS TODAY. SINCE THE STATE HAS WITHHELD THIS AUTHORITY, IT MUST FACE THE RESPONSIBILITY OF LEGISLATING THE NEW FUNDING OF SOURCES REQUIRED TO SUPPORT ITS OFFSPRING.

HERE ARE A FEW RATIONAL APPROACHES TO THIS DILEMMA.

A CERTAIN PORTION MUST FALL TO THE DISTRICT AS ITS RESPONSIBILITY. WHILE WE HAVE ALWAYS WORKED TOWARD OPERATING EFFICIENCY, OUR EFFORTS IN THIS CRITICAL AREA ARE BEING INTENSIFIED. A RECENTLY IMPLEMENTED SERVICE ANALYSIS PROGRAM PROVIDES CONSTANT VISIBILITY TO STAFF MANAGEMENT AND OUR BOARD WHICH ALLOWS FOR TIMELY SERVICE ADJUSTMENTS TO AFFECT ECONOMIES IN OPERATIONS.

A SECOND ASPECT DEALS WITH OUR INABILITY TO CONDUCT OUR LABOR NEGOTIATIONS IN PUBLIC AND UNDER THE SCRUTINY OF THE TAXPAYERS WHO MUST PAY FOR SUBSTANTIAL PORTIONS OF THE COST OF THESE CONTRACTS. THE DISTRICT THEREFORE SUPPORTS SUCH LEGISLATION AS ASSEMBLY BILL 1723, WHICH WOULD PROVIDE FOR OPEN NEGOTIATION OF LABOR RELATED ISSUES. IT IS OBVIOUS THAT THE CURRENT SYSTEM IS LESS

THAN SUCCESSFUL WHEN WE REALIZE THAT DURING A 16-MONTH PERIOD OF THE CURRENT DECADE MAJOR TRANSIT PROPERTIES IN TWO MAJOR METROPOLITAN AREAS IN THIS STATE WERE FACED WITH 159 DAYS OF TRANSIT WORK STOPPAGES.

THIRD, WE MUST PROTECT THE INTEGRITY OF PRESENT FUNDING SOURCES, MOST PARTICULARLY THAT WHICH FLOWS TO EXISTING PROPERTIES THROUGH SB 325. LEGISLATION IS NOW PENDING BEFORE YOUR BODY WHICH WOULD OPEN THIS LIMITED SOURCE OF FUNDS TO NEW TRANSIT OPERATORS. THIS DIFFUSION OF FUNDS WOULD BE MOST HARMFUL TO REGIONAL OPERATORS SUCH AS THE RTD.

ALTHOUGH SOME STATES ARE REPORTEDLY ALLOCATING GENERAL FUND REVENUES FOR TRANSIT, IT IS SUGGESTED THAT CONSIDERATION BE GIVEN BY THE LEGISLATURE TO A PROGRAM WHICH WILL IDENTIFY AND UTILIZE APPROPRIATE SOURCES OF NEW REVENUE FOR SPECIFIC ALLOCATION TO TRANSIT SUPPORT AND DEVELOPMENT. THERE ARE SEVERAL SOURCES WHICH I SUGGEST FOR CONSIDERATION.

THE MOTOR VEHICLE LICENSE FEE OR IN LIEU TAX IS LEVIED ON MOTOR VEHICLES AT A RATE OF 2% OF MARKET VALUE. THE RATE WAS LAST ADJUSTED IN 1948, WHEN IT WAS RAISED FROM 1-3/4% TO 2%. THE TAX RATE LEVIED ON OTHER PROPERTY SUBJECT TO ADVALOREM TAX HAS RISEN TO APPROXIMATELY 3% OF MARKET VALUE (THE EQUIVALENT OF A "TAX RATE" OF \$12 PER \$100 OF ASSESSED VALUE). AN INCREASE IN THE LICENSE FEE TO 3% WOULD APPEAR TO BE EQUITABLE, WITH THE PROCEEDS OF 1% OR SOME \$50 MILLION IN LOS ANGELES COUNTY ALLOCATED TO SUPPORT OF TRANSIT OPERATIONS.

AN INCREASE IN THE TAX ON GASOLINE TO PROVIDE TRANSIT OPERATING FUNDS WOULD BE CONSISTENT WITH PUBLIC POLICY WITH RESPECT TO THE CONSERVATION OF LIMITED SUPPLIES OF FUEL. A RECENT REPORT BY THE FEDERAL HIGHWAY ADMINISTRATION INDICATES THAT NATIONAL CONSUMPTION OF GASOLINE IS STILL TENDING UPWARD, REGARDLESS OF EFFORTS TO ENCOURAGE REDUCED USE. THE INCREMENT IN COST PER GALLON REQUIRED TO FUND A TRANSIT SUPPORT PROGRAM WOULD BE A MINOR FRACTION OF THE INCREASE EXPERIENCED RECENTLY WITHOUT RETURNING A BENEFIT TO THE GENERAL PUBLIC. A ONE-CENT INCREASE WOULD YIELD SOME \$30 MILLION ANNUALLY IN LOS ANGELES COUNTY.



A ONE-CENT INCREASE IN THE GENERAL SALES TAX RATE IS WORTHY OF CONSIDERATION AS IT WOULD PRODUCE MORE THAN \$225 MILLION ANNUALLY AT THE PRESENT TIME.

WHILE THE SUGGESTIONS DISCUSSED HAVE MERITS OF SIMPLICITY OF ADMINISTRATION, EQUITY OR SIDE EFFECTS NOT INCONSISTENT WITH GENERAL PUBLIC POLICY, OR COMBINATIONS OF THESE MERITS, THEY ARE NOT NECESSARILY EXHAUSTIVE. THEY ARE OFFERED TO INDICATE THAT THE PROBLEM OF MAINTAINING A MULTI-MODAL SYSTEM OF TRANSPORTATION CAN BE SOLVED.

IN SUMMARY, THESE POINTS ARE ABOVE DISPUTE:

- 0 A SUBSTANTIAL, CONTINUING SOURCE OF ADDITIONAL FINANCIAL ASSISTANCE FOR TRANSIT OPERATING SUPPORT MUST BE CREATED.
- 0 THE PROBLEM IS STATEWIDE
- 0 IT IS PROBABLE THAT A LONG-TERM PROGRAM WILL REQUIRE A YEAR OR MORE TO IMPLEMENT THROUGH LEGISLATION.

O A PROGRAM, EITHER DISTRICT OR STATEWIDE, MUST BE ADOPTED BY THE 1976 SESSION OF THE STATE LEGISLATURE WHICH CAN MEET NEEDS IN FY 1978 AND SUCCEEDING YEARS. WHILE A NUMBER OF STATES PROVIDE SUPPORT FROM GENERAL FUND REVENUES, THE PROGRAM SHOULD IDENTIFY APPROPRIATE SOURCES OF NEW REVENUE. AMONG THE MOST PROMISING SOURCES APPEAR TO BE:

- AN INCREASE IN "IN LIEU" LICENSE FEE CONSISTENT WITH RATES ON OTHER PROPERTY
- AN INCREASE IN GENERAL SALES TAX
- AN INCREASE IN TAX ON GASOLINE BY SEPARATE SALES TAX OR OTHER MEANS WHICH WOULD PERMIT ALLOCATIONS TO TRANSIT OPERATIONS

IN CLOSING, LET ME URGE THAT THE NEED FOR LEGISLATIVE ACTION DURING THE 1976 SESSION IS VITAL IF TRANSIT PROGRESS IS NOT TO BE REVERSED BY PRICE INFLATION AND DETERIORATION OF THE EQUIPMENT AND FACILITIES WHICH ARE ESSENTIAL FOR SERVICE TO THE PUBLIC.

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
Minutes of Personnel Committee Meeting  
September 17, 1975 - Room 1002

Directors present: George Takei, Vice-Chairman  
Donald H. Gibbs  
Thomas G. Neusom  
Jay B. Price (replacement)

Directors absent: Adelina Gregory, Chairman  
Pete Schabarum

Staff present: Jack R. Gilstrap  
George McDonald  
Richard T. Powers  
John S. Wilkens  
Jack Stubbs  
George Heinle  
Richard K. Kissick  
Joe B. Scatchard  
Jack Walsh  
Byron Lewis  
Bob Williams  
Ray Harris  
Betty Miley  
Pat Bluemke

Others present: Charles Olson, Legislative  
Analyst

The meeting was called to order at 9:00 a.m. by Vice-Chairman Takei.

Upon motion of Director Price, seconded and unanimously carried, the Committee recommended the second Board Meeting in October remain the normal meeting date, October 15, 1975.

The General Manager presented his report dated September 17, 1975 relative to legislation affecting the District during the session ending September 12, 1975.

Personnel Committee Meeting  
September 17, 1975

Page Two

Mr. Charles Olson, the District's Legislative Analyst, was present and reported to the District the level of activity during the last session. A copy of the report is attached as Exhibit I.

Committee members briefly discussed the Section 13(c) of the UMTA labor protective agreements, but felt that further discussion should be held in Executive Session during the Regular Board Meeting later in the day.

The meeting adjourned at 9:45 a.m.

  
Committee Secretary



DEPARTMENTAL

**SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT**

1060 SOUTH BROADWAY  
LOS ANGELES

DO NOT INCLUDE MORE THAN ONE  
SUBJECT IN THIS COMMUNICATION

DATE: September 17, 1975

TO: Mr. Jack R. Gilstrap  
FROM: Ray D. Harris  
SUBJECT: State Legislative Progress Report -- 1975-76 Session

On Friday, September 12, 1975, the California State Legislature recessed, concluding the first year of the two-year session. The session has been extremely important for the SCRTD. The level of activity in Sacramento has maintained a hectic pace throughout the session. To this point, staff has monitored nearly 100 bills as they proceed through the legislative process

District Sponsored Bills

As reported to the Board earlier this year concerning District legislative plans, there was a need to change the District law to improve our purchasing procedures. The law set forth in 1964 required that for every purchase of \$3,000 or more, the District must obtain formal bids. This limit (\$3,000) has been eroded by inflation and makes the process more costly and time consuming.

District staff worked with Assemblyman Frank Vicencia on AB1075 to change the District Law to raise our bid limit from \$3,000 to \$5,000. The bill was signed by the Governor on July 7, 1975.

In the area of bus system operational matters, our legislative plan was to amend the Vehicle Code to permit the operation of the District's two double deck buses (height) and the fleet of articulated buses (weight) which we anticipate purchasing. AB1076 (Vicencia) was signed by the Governor on July 8, 1975. This bill will exempt double deck buses from the present 13.5 foot height limitation and would prohibit such a bus from exceeding a height of 14 feet, 3 inches.

AB1077 (Vicencia) permits the operation of an articulated bus by amending the Vehicle Code to provide a gross weight of 20,500 pounds on any one axle of a bus instead of the rear axle only, as under present law. The above bill was signed by the Governor on June 21, 1975.

AB1078 (Vicencia) authorizes the equipping of buses operated by a public agency with a system of warning lights. The special crime warning lights are located on the exterior upper four corners of a bus and shall be activated only when a crime is in progress on board the bus or has recently been committed on board the bus. The crime warning lights have been installed by the District under a \$65,000 grant from the Office of Criminal Justice Planning. The above bill was signed by the Governor on September 16, 1975.

AB1723 (Sieroty) will amend the labor provisions of the SCRTD Act by requiring that all bargaining and fact-finding sessions between the parties be open to the public. The measure requires the District to submit a written offer for a new contract to the employees not later than five days prior to the expiration of the contract or the fact-finding period. A supervised secret ballot on the District's latest offer must be made within 72 hours of the time service to the public may be terminated. The bill was held in committee for interim study. It is hoped that during the legislative recess additional hearings will be held.

AB1806 (Lanterman) will assist in providing the District the ability to recoup approximately \$1.3 million that would otherwise be lost under the formula set forth in SB325 (Mills-Alquist-Deddeh) by which monies are allocated to transit properties annually, predicated on the prior year's total mileage. The loss is relative to the 68-day strike period of last year, when no mileage was recorded. The bill has been signed by the Governor and chaptered on September 12, 1975.

AB2361 (Vicencia) would adjust the vehicle code to permit the lengthening of future buses by 18 inches (in front of the front axle) to allow for the widening, and equipping the front door with a lift mechanism, assisting handicapped and elderly persons to board. AB2361 has passed from the Assembly (72-0) to the Senate and will now go to the Senate Public Utilities, Transit and Energy Committee.

#### Additional Legislation of Interest

AB1246 (Ingalls) is probably the most controversial piece of transit legislation of this session. It would dilute and reduce the legislative mandate of the RTD in that the planning and building of a rapid transit system would be taken away from the SCRTD. This bill would create a nine-member, appointed commission that would have a broad authority concerning all facets of transit

in the southland. This commission would have authority to perform all short-range transportation planning, select FAU projects to be funded and approve all capital development projects - - including mass transit guideway systems, state and interstate highway projects. The only areas of responsibility not specifically given to the commission involve authority over county and local streets, roads and airports. However, because of the broad intention and language of the bill, it may also include these as well

Staff, after receiving authority through RTD Board resolution R-75-301, July 17, 1975, actively campaigned against AB1246. After passing out of the Assembly by a slight 43-15 vote, the bill's next hurdle was the Senate Public Utilities, Transit and Energy Committee, chaired by Senator Alquist. The bill was held in committee, 3 - 5. Mr. Ingalls has asked and received reconsideration, making 1246 a two-year bill to be heard in January, 1976. We should look to Mr. Ingalls to hold informal meetings throughout the recess period to gain a foundation for amending 1246 so that it will be acceptable to the delegation from the Southern California Area.

SB100 (Mills) would boost the state gasoline tax by 2¢ per gallon, to be expended for state highways and grade separations. The measure passed the Senate, 23-7; passed the Assembly Transportation Committee, 8 - 5; but held in the Assembly Ways & Means Committee, 7 - 8. Senator Mills has asked and received reconsideration.

SB101's (Mills) original language would have a transit development board in Los Angeles, taking the building of a rapid transit system away from the SCRTD and leaving the District to operate buses only. The bill has been amended to pertain only to San Diego County - - no funds have been allocated this will be dependent upon the outcome of SB100.

AB1998 (Campbell) which was strongly supported by the California Contract Cities, bears mentioning. The measure would have authorized any transit operator in operation for over 365 days to be eligible for SB 325 funds; however, the bill was held in Assembly Transportation Committee for interim study.

#### Three Bills Aimed at Reorganizing the SCRTD Board of Directors

In line with direction received from the Board Executive Committee, the staff has taken no position on three bills introduced to reconstitute the Board of Directors. An update of the bills follows:

SB8 (Robbins) would replace our current Board with a nine-member elected board.



The bill provides that the question of an elected Board would be placed before the voters on the June 8 primary ballot. If the proposition is approved, the bill would delete, as of November 26, 1976, provisions relating to the appointive board and provide for the election of a nine-member board from the election to be established by the legislature at the June 8, 1976 Primary Election and at the November 2, 1976 General Election.

The bill also sets forth criteria for campaign contributions and expenditures. SB8 passed out of the Senate by a 23-11 vote, but was held in the Assembly Transportation Committee by a vote of 6 - 9.

Senator Robbins requested reconsideration, which was granted. This makes SB8 a two-year bill which could be heard in January, 1976.

SB 47 (Roberti) is similar to SB8. Its major action would establish an eleven-man elected board from districts established by the Department of Transportation. The bill sets forth criteria for campaign contributions and establishes a Southern California Rapid Transit Advisory Committee, in addition to the new board of directors. There has been no legislative action on this bill since February, 1975.

AB10 (Green) would have dissolved the current RTD Board of Directors and replaced them with the existing Los Angeles County Board of Supervisors. The bill failed passage in its initial policy committee - - Assembly Transportation.

District staff will continue to monitor these three bills very closely during the 1976 session.

As we have reported to you in the past, we will continue to work closely with the various committees of the legislature as we continue to anticipate a substantial increase in the number of bills that will be introduced concerning public transportation.

  
Ray Harris



SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

July 24, 1975

Upon notice duly given, the Board of Directors of the Southern California Rapid Transit District met at a Special Meeting with the Board of Directors of the Orange County Transit District at the Saddleback Inn, 12500 East Firestone Boulevard, Norwalk, California, at 6:30 p m. on Thursday, July 24, 1975.

Directors George W. Brewster, Byron E. Cook, Donald H. Gibbs, Thomas G. Neusom, Jay B. Price, George Takei and Baxter Ward were present. Directors Victor M. Carter, A. J. Eyraud, Jr., Adelina Gregory and Pete Schabarum were absent.

RTD staff members present included General Manager Jack R. Gilstrap; Assistant General Manager for Administration Jack Stubbs; Manager of Operations George W. Heinle; Manager of Planning & Marketing George L. McDonald, Manager of Rapid Transit Richard Gallagher, Assistant General Counsel Suzanne Gifford, Principle Analyst Ralph de la Cruz and Assistant Secretary Helen M. Bolen.

Orange County Transit District Directors Robert W. Battin, Ralph B. Clark, Al Holliden, John Kanel and Richard B. Lynn were present. Also present were OCTD staff members including General Manager Edward F. Loritz, Assistant General Manager James P. Reichert, Deputy County Counsel K. R. Smart; Manager of Planning and Development Tom Jenkins,

Manager of Marketing Art Golland, Assistant for Inter Governmental Relations Mary-Evelyn Bryden, Controller Jeanette Hyatt, and Clerk of the Board Jacque Mog.

Also present were representatives from Supervisor Schabarum and Supervisor Ward's offices, Bill Ackerman of SCAG, D. R. Roper of CalTrans, representatives from the League of Women Voters, the Mayor's Advisory Committee, guests, and the public.

RTD President Byron E. Cook and OCTD Chairman Ralph B. Clark called the meeting to order at 8:25 p.m., followed by introduction of all Directors present, and introduction of the two staffs by RTD General Manager Jack R. Gilstrap and OCTD General Manager Edward F. Loritz.

OCTD Chairman Clark Spoke briefly concerning the need for OCTD and RTD to keep open the lines of communication and the problems both Districts have encountered in trying to build a rapid transit system for Southern California. Chairman Clark also commented that the sole reason for SCAG's existence is regional planning and assistance. The first rapid transit line in this area must be a regional system line. OCTD is concerned with how regional are the proposals that RTD is considering and will the final route chosen serve the majority of the people of the urban area of Los Angeles which by definition must include Orange County.

RTD President Cook responded that the RTD Board of Directors recognizes their duty to give the people the best

region in a better position to receive funding assistance from the Urban Mass Transportation Administration;

NOW, THEREFORE, BE IT RESOLVED, that this Board of Directors does hereby adopt as Phase II of the Los Angeles County rapid transit system a line that will include a connection or junction with the Orange County-Pacific Electric-Santa Ana-Garden Grove alignment;

RESOLVED FURTHER, that the General Manager be and he hereby is instructed to convey this action to the State of California and to the U. S. Department of Transportation.

OCTD Chairman Clark commented on behalf of the OCTD Board of Directors that this action is yet another gesture of good will that exists between the two agencies.

On the recommendation of Mr. Reichert, the OCTD Board of Directors unanimously took action reaffirming the designation of the Orange County-Pacific Electric-Santa Ana-Garden Grove alignment as the top priority rapid transit line for OCTD.

Vice-President Neusom commented for the benefit of OCTD that Secretary of Transportation Coleman had made it clear that only so many dollars were available for rapid transit construction, and it would behoove the OCTD to act with dispatch.

President Cook commented that RTD and OCTD had made a milestone decision this evening.

#### Discussion of AB 1246

OCTD President Clark called on Mr. William Ackerman of SCAG to report on the latest developments concerning AB 1246. Mr. Ackerman reported that the Executive Board of SCAG has taken a stand in opposition to AB 1246.



Mr. Gilstrap commented that RTD feels quite strongly that AB 1246 is not good legislation, that it adds another layer of bureaucracy. The bill is going to be heard on August 5, it has already been passed by the Assembly. We at RTD would like to see OCTD and RTD stand together on this matter. We understand that OCTD has not taken a stand on this, but it is under consideration. This bill affects all counties and SCAG, and I think that we would have much better success if we were to work in unison. If the bill cannot be corrected, oppose it! Time is very short. What we see is a major piece of legislation that has been amended in some mysterious way that we won't know about until the day of the hearing, when it is too late.

Director Price commented that the Transportation Task Force of the League of California Cities approved a draft that would make SCAG the regional transportation planning agency for all planning. This would inhibit even the changing, adding or deleting of lines.

OCTD General Manager Loritz addressed the Boards stating that AB 1246 does not offer much to the citizens of Orange County. OCTD staff has deferred bringing this matter to the Board in anticipation of Assemblyman Ingalls' visit, however it will be on the August 4 agenda.

Mrs. June Gilmore addressed the Board as a private citizen. She commented that the League of Women Voters, as well as other groups have made definite statements against the



Ingalls bill. A great number of people in Southern California do not want this bill passed.

OCTD Director Kanel called upon former General Manager Dr. Fielding to comment on this issue. Dr. Fielding stated that AB 1246 is one of two bills of a similar nature. OCTD supported SB 101, which was a cleaner document. AB 1246 would disrupt bus service, it would treble the amount of difficulty in providing even the most commonplace service, and it is a waste of taxpayers money in setting up another bureaucracy.

General Manager Gilstrap reported that as a result of actions taken by various bodies in the County, Secretary Coleman will be notified that we have met the August 1st deadline. RTD will be transmitting a letter as early as tomorrow. Director Price suggested that a paragraph be included in the letter encompassing action taken this evening.

On motion of Director Price, seconded and unanimously carried, the General Manager was instructed to include in the letter to Secretary Coleman a paragraph setting forth the actions taken at the Joint Meeting of the RTD and OCTD on July 24th.

Director Ward expressed concern about tonight's decision and the hope that a decision on the Central Business District routing could be made by August 15, 1975 as we have developed momentum. If action could be taken by that date, it would be impressive. Director Ward also asked that the two Districts organize a study unit to study the cost and development of a

rapid transit leg to connect the two transit districts together. This would give tonight's action some added lustre. Mr. Gilstrap and Mr. Gallagher responded that the two District's are working together in the Rapid Transit Advisory Committee and suggested that a sub-committee be formed to make the study suggested.

On motion of Director Ward, seconded and unanimously carried, the following resolution was adopted:

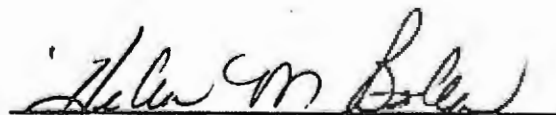
RESOLUTION NO. R-75-303

RESOLVED, that a sub-committee of the Rapid Transit Advisory Committee be formed, representing the Orange County Transit District and the Southern California Rapid Transit District, to develop cost and other considerations in a Los Angeles-Santa Ana routing.

Orange County Board of Directors unanimously adopted a counterpart motion.

Mr. Josh White of Mayor's Advisory Committee spoke briefly and asked Orange County Transit District to take action at this time against AB 1246. OCTD Director Kanel responded that it will be on the agenda on August 4th. Chairman Clark stated that he was prepared to oppose the bill this evening and he will feel that way on August 4th.

There being no further business, the meeting adjourned at 10:25 p.m.

  
Assistant Secretary

Attached letter sent to:

Mayor Tom Bradley  
John Gibson, President, LA City Council  
Pat Russell, President, League of Calif. Cities  
James Hayes, President, SCAG  
James Hayes, Chairman, LA Board of Supervisors

Walter Ingalls, Chairman Assembly Transportation Committee  
Frank Vicencia, Chairman Assembly Subcommittee on Southern  
California Regional Transportation  
Senator Alquist, Chairman, PUT&E  
James Mills, President Pro Tempore, State Senate



# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

1060 SOUTH BROADWAY • LOS ANGELES, CALIFORNIA 90015 • TELEPHONE (213) 749-6977

GEORGE W. BREWSTER, DIRECTOR

July 24, 1975

Honorable Mayor and City Council  
City of Lomita  
City Hall Offices  
Lomita, California 90717

Dear Mayor Cole and City Council Members:

Thank you for your recent letter concerning Assembly Bill 1246. As you know, the four City Selection Committee members of the Southern California Rapid Transit District Board of Directors were unanimous in their opposition to the bill as noted in our letter to your City Council on May 3. By resolution adopted at the regular meeting on July 17, 1975, the full Board of Directors of the SCRTD went on record opposing AB 1246.

Should AB 1246 become law, it would bring about a major revision in the delegation of responsibilities for rapid transit in Los Angeles County. It would result in a fragmentation and unnecessary duplication of transit service in the County and would subvert the purposes for which the Southern California Rapid Transit District was created; namely, "to provide the needed comprehensive mass rapid transit system" in the Southern California area.

The establishment of a commission in Los Angeles County will serve only to dilute the present transportation process by adding yet another unneeded layer of government; one that lessens local government's control of the transportation system.

The establishment of an appointed commission will merely duplicate what we now have in the SCRTD Board of Directors. Do we really need another appointed Board; one that would have the complete responsibility of allocating transit funds to not only the SCRTD but to the other seven municipal operators in our County? I think a point that cannot be overlooked is that at the present time local entities have the final veto on highway and road locations, both state and federal. Should AB 1246 become law, the commission would have the right to decide where state and federal highways are placed. Again, this serves to lessen local control. I believe that our constituents in the Southern California area have the most responsive Board of Directors under the present arrangement to oversee the development of transportation in the Southern California area.



Honorable Mayor and City Council  
City of Lomita  
July 24, 1975  
Page 2

I believe we have to look at the proposed composition of the commission and what representation the small cities will have. At the present time, the 78 cities of Los Angeles County area have four representatives on the eleven-member RTD policy board. On the new commission, for example, the Mayor of Los Angeles will have three appointees while all other cities combined will have only two. This, I think you will agree, is a lack of adequate representation.

Assemblyman Ingalls speaks of a need for one governmental entity with the responsibility over "these fragmented transit operators." The Southern California Rapid Transit District and the other seven municipal operators at times have had differences, but not to the extent that would necessitate an outside entity to settle any professional differences between our agencies. Quite to the contrary. The working relationship between the RTD and other municipal operators has in most cases been amicable.

Enclosed for your information is a copy of District Resolution No. R-75-301, which voices the District's position on AB 1246 and the principal reasons for opposing this legislation.

Your interest in writing is appreciated, and please do not hesitate to let me know if I can provide any additional information.

Sincerely,



George W. Brewster

enclosure

**July 21, 1975**

**Attached for your information is a certified copy of Resolution No. R-75-301, adopted by the Board of Directors of the Southern California Rapid Transit District at its meeting on July 16, 1975, relative to the Board's opposition to the passage of Assembly Bill 1246.**

**Very truly yours,**

**Helen M. Bolen  
Assistant Secretary**

**Attachment**

RESOLUTION NO. R-75-301

Assembly Bill 1246, which is presently before the Legislature in Sacramento, would bring about a drastic revision in the delegation of responsibilities for rapid transit in Los Angeles County. If AB 1246 should become law, it would result in a fragmentation and unnecessary duplication of transit services in the county and would subvert the purposes for which the Southern California Rapid Transit District was created, namely, "To provide the needed comprehensive mass rapid transit system" in the Southern California area.

Further, it is evident that the approach proposed by AB 1246 would precipitate an unreasonable delay in the implementation of an effective rapid transit system in Los Angeles County at the precise time when prompt, decisive action is imperative. In addition, AB 1246 creates yet another level of bureaucracy and lessens local government's control of the transportation system.

Further, AB 1246 provides no new funding sources to solve the financing problems confronting public transit operators.

BE IT, THEREFORE, RESOLVED, that the Board of Directors of the Southern California Rapid Transit District hereby expresses its opposition to Assembly Bill 1246 as being detrimental to the District and obstructive to the purposes for which it was created.

BE IT FURTHER RESOLVED, that the Staff of the RTD disseminate this resolution to appropriate levels of government and furnish all necessary information to interested officials, persons and groups.

CERTIFICATION

The undersigned duly qualified and acting as Secretary of the Southern California Rapid Transit District certifies that the foregoing is a true and correct copy of Resolution No. R-75-301, adopted at a

legally convened meeting of the Board of Directors of the Southern California Rapid Transit District held on July 16, 1975.

The undersigned further certifies that this resolution is in full force and effect and has not been rescinded or modified in any respect.

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Secretary

Dated: July 17, 1975

(SEAL)



Report of the General Manager - Discussion of Assembly Bill  
AB 1246 and Recission of Resolution No. R-75-301 Adopted  
July 16, 1975

The General Manager's report of out-of-state travel by Directors and staff during the month of February, 1976 was included in the Directors' Board books under Item No. 25.

General Manager Gilstrap reviewed Assembly Bill 1246 (Ingalls), including the merits of the bill and its objectionable features, and recommended working with the author in proposing amendments. Since committee action is scheduled for March 16 Mr. Gilstrap felt that action should be taken at today's meeting.

Director Price agreed with Mr. Gilstrap's report and felt that amendments should be worked out with the author and also felt the Board should rescind the previous resolution adopted by the Board opposing the bill and so moved, which motion was seconded.

Director Holen requested a delay of a few days in order to study the bill more fully and moved tabling of the matter until one of the special Board meetings scheduled in the next few days, which motion was seconded. For discussion purposes, Mr. Holen then withdrew his motion to table.

Director Neusom felt the District should act more through its appointing authorities such as the Board of Supervisors, together with others, that the bill's contents should be more fully reviewed and agreed with the motion to table. He also urged amendments to remove some of the authority from SCAG.

Director Brewster inquired if a draft of a ~~xm~~ substitute bill, or amendments, could be offered to the author, and

Director Schabarum stated he would be willing to meet with the author but that all of his ideas might not be in complete accord with the rest of the Board.

Mr. Gilstrap suggested that a member of the Board might talk to Assemblyman Ingalls and convince him to postpone the March 16 committee consideration date, and Mr. Neusom stated he could call Ingalls about the possibility of the Board accepting the idea of the commission included in the bill but that the Board had reservations about other provisions and would like to meet with him in the next week or two.

Mr. Schabarum stated that a partial position could be that the Board would support the thesis that the funding allocations on matters connected with transportation be a function of the proposed commission, and Mr. Holen felt the Board should take no position on the bill until after meeting with the author. Mr. Neusom felt we could simply rescind the previous resolution opposing the bill at this time and then talk to the author.

On substitute motion by Director Price, seconded and carried as noted below, the following resolution was adopted:

- Ayes: Brewster, Cook, Gregory, Holen, Neusom, Price, Richter, Schabarum, Takei
- Noes: None
- Absent: Gibbs, Ward

R-76-105

RESOLVED, that Resolution No. R-75-301 adopted July 16, 1975, opposing Assembly Bill 1246, be and the same is rescinded in its entirety.

It was agreed that Mr. Neusom would call the author and attempt to set up a meeting between the author and the

Mr. Gilstrap inquired if the Board was interested<sup>enou</sup> in a strong commission to have the staff prepare for consideration a report outlining the duties of the commission, including the screening body for capital grants, designated recipient, cetera, and, if so, the staff could develop such a concept.

~~...the staff was instructed to prepare~~  
(Director Richter departed at 2:27 p.m.)

President Cook felt the Board should have such a model and, after discussion, the staff was instructed to prepare a concept as described by Mr. Gilstrap. It was also suggested that copies of Mr. Schabarum's previous legislation of several years ago (AB- , 1969) be furnished to the Board.

Mr. Neusom felt the author wanted to deal with the Board and not the staff, and that the proposals should therefore come from the Board.

#### Discussion of Line Evaluations and Ridership Reports

Director Schabarum mentioned that line evaluations had not been submitted recently recommending discontinuance of lines, and Mr. McDonald reported that lines operating below the 20 riders per hour are mainly in the improvement service areas or lines funded by others. He further stated that new services would continue to be evaluated and results brought to the Board for consideration.

Mr. Schabarum inquired if the staff was going to recommend discontinuance of lines either under 20 or over 20 riders per hour, and Mr. McDonald stated the staff would

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GENERAL MANAGER'S REPORT TO THE BOARD OF DIRECTORS  
NOVEMBER 19, 1974

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Mr. President and Members of the Board. My report today is quite extensive. It is an appropriate time to recap District activities leading up to the November 5 election on Proposition A and to report on some of the important things we must accomplish in the months ahead.

This report covers three major areas: our aggressive bus improvement program; vital legislative activities in Sacramento and Washington, D. C.; and what lies ahead in rapid transit.

District Accomplishments to Date

To begin with, it may be well to take a moment and look at the accomplishments of this agency and they are significant. Over the past few years the District has added 22 new lines; 600 new one-way route miles; increased its fleet by over 400 buses; and stepped in to fill the voids created by the failure of five private carriers, thus maintaining transit service in Watts, East Los Angeles, San Pedro, Inglewood and Pasadena. We have initiated more innovative transit services than any bus system in the Country, including the Freeway Flyer, Downtown Minibus, Park and Ride Service, Subscription Bus Service and the highly successful El Monte Busway Program. The Busway stands as a model nationally

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of the imaginative and highly effective utilization of buses in a rubber-tire-oriented metropolitan area.

The first contraflow lane in Los Angeles was established on Spring Street just a few months ago. Today it moves 112 buses during peak afternoon traffic to connecting freeway operation.

The Street Fleet bus service to the beaches from inland communities was established just this last summer to the great joy of beach goers throughout the County.

We all know of the multitude of new programs added with the help of Los Angeles County financing. Within the past few months we have increased our operating fleet by over 250 buses which are being used to handle the increased passenger loads resulting from the highly successful 10¢ Sunday and 25¢ Flat Fare programs. This latter program, of course, eliminated the 300+ zones which had complicated our operation for years.

In addition to these service activities the District has continued an aggressive training program that is now producing trained middle-management people who one day will be the backbone of this operation. Our Affirmative Action Program in the top three employment levels has led to a 38.8% increase in minorities.

All of these programs have acted to increase our overall pre-strike ridership some 22% which stands as the greatest increase in transit usage of any system in the United States according to American Transit Association reports.

### Improvement Programs Under Way

A very important service improvement program now under development is the joint Los Angeles County-RTD effort to obtain the use of existing rail tracks for commuter service in Los Angeles County. Within the next few weeks we expect to file a petition with the Public Utilities Commission in regard to this matter. Further, we are working with the County to seek railroad approval and Amtrak participation in the early implementation of a test commuter rail operation on the Santa Fe track between Orange County and Los Angeles County. This program would require significant bus system support and facilities in the suburban areas and at the downtown terminal. Fast collection and distribution service as well as parking where possible near the suburban stations and proper handling of passengers at rail stations must be provided. This project, if successful, could well be the turning point in the use of existing rail facilities for improved public transportation.

Turning to the bus system, within days the first of 300 new buses ordered last spring will be going into regular service.

Our first double-deck bus has been off loaded in New York and is on its way to Los Angeles. The RTD is the initiator in the experimental use of this type of bus of contemporary design which has the capability of increasing driver productivity by nearly 40%.

An additional 40 minibuses are now on order for the expansion of the downtown minibus program and for special purpose use in providing transit service to the physically handicapped under a program already authorized by your Board of Directors.

We believe we are close to finalizing plans for a new park and ride operation in the Santa Monica area using exclusive bus and carpool lanes on the Santa Monica Freeway. A Hollywood Freeway exclusive lane operation is also under development with the help of the California Department of Transportation (Caltrans).

The 25¢ Flat Fare funding by the County for this year provides for the experimental operation of grid bus systems in the San Fernando Valley and South Central Los Angeles, and the implementation of an experimental saturation bus service on Fairfax Avenue, doubling the service on the line by cutting headways from 12 to 6 minutes between Wilshire and Sunset Boulevards. Our current timetable calls for staged implementation from January 5 through March 2, so that the entire program will be in operation for at least four months of this fiscal year. These new services will involve over 200 additional buses.

In mentioning these new services, it should be noted that a significant effort is involved in expanding the District's fleet by this number of buses. Such an expansion amounts to increasing our fleet by a bus system approximately the size of the entire San Diego transit operation. It means

the recruiting, hiring and training of four to five hundred new employees; the acquisition through lease of two new facility sites along with the investment of over \$200,000 in facilities and equipment for maintenance and operation in the South Central area and San Fernando Valley; it means the planning and laying out of numerous new lines, the cutting of schedules and runs; it means an extensive public information and marketing effort; and it means a substantial increase in the overall responsibility and work load of the agency throughout the organizational structure.

All of this effort is required in order to operate these new services, although they are currently funded only through this fiscal year. While we are hopeful that the County will provide the funding necessary to continue these important services into next fiscal year, at this point there is no guarantee of such funding. Even with the passage of Federal operating assistance legislation this year, it is unlikely that there would be enough operating assistance made available to the District under that legislation to eliminate the need to call on County Federal Revenue Sharing assistance if we are to maintain the current 25¢ Flat Fare and the expanded system.

In December we shall be presenting to you for consideration a funding proposal for submission to the County for maintaining and augmenting these programs in Fiscal Year 1976. If adopted by your Board, the



proposal should be presented to the County for their consideration in budgeting for next fiscal year.

With continued Los Angeles County financial support, we are hopeful that the transfer interchange between the RTD and municipal services can be further improved.

Also in the area of new bus system programs, we are working closely with the Orange County Transit District in the coordination of a new park and ride operation and other expanded bus services.

Since the District first qualified for capital assistance under the Urban Mass Transportation Act of 1969, we have embarked on improvement programs totaling \$140 million, of which nearly \$43 million have come from highway funds for the Busway. Nearly \$106 million have been expended or committed leaving a balance of \$34 million yet to be committed. In addition to the Busway, these projects cover the purchase of 1,078 buses; construction improvements to five operating divisions; and the purchase of trucks, autos, shop equipment, two-way radios; a computer system and many other items for the modernization of our total operation.

Later this fiscal year, we will be filing an application to UMTA to fund further improvements and expansion, because as our fleet grows so do our needs for transportation and maintenance facilities.

With the action of the Board of Directors last week, 100 new, full-size transit buses will be purchased for delivery in mid-fiscal 1976.

In addition, the District anticipates completing specifications soon for the purchase of new buses which will provide for access by handicapped citizens.

In evaluating the impact of the strike on ridership we cannot readily make the usual comparison of one period compared to another because of the effect of the flat fare. Our best estimates are that present passenger volume is approximately 8% below that of the period immediately preceeding the strike. If, however, we give weight to the normal seasonal trends in riding, we would estimate that we are 15% below anticipated levels had the strike not occurred. Because of the strike, it is now necessary for us to intensify our marketing and advertising effort.

Augmenting these important service programs now under way, are a number of internal organizational activities. Bus system marketing is getting special emphasis, as will employee courtesy, employee relations, governmental and community relations activities. Additionally, we will continue our vigorous efforts to provide safe, reliable transportation for our passengers.

In the past months we have dealt forcefully with the problem of assaults on our operators. Today all RTD buses are equipped with large roof numbers and special flasher lights to assist the police in providing protection for our employees and patrons. The efforts of the local

enforcement agencies are commendable in helping to bring this community problem under control. During the next twelve months we anticipate that we will have installed on every RTD bus a two-way radio and silent alarm system. We will also be moving forward in cooperation with the school district to develop a public information, educational program to communicate to the young people in the schools the serious impact of violence and vandalism on the total community.

The need to intensify communications at the community level is twofold. We need more community input to our planning process and, of course, more community support for Federal and State legislation to improve the quality and quantity of public transportation. Our community relations program is aimed at these objectives. We will soon be implementing a decentralized surface planning pilot program which we think offers real advantages to the community and the District in meeting the needs of our transit users.

Also in the planning area, and in response to the Board's request, your staff will be preparing programs to provide more useful information regarding passenger statistics and line-by-line profiles showing ridership and community benefit.

All in all, the bus system improvement program accomplishments to date, along with the activities under way, represent a bus service improvement program unsurpassed in the United States in terms of both magnitude and innovation. The Los Angeles area can be proud of this program.

Sacramento and Washington, D. C.

We can anticipate an active year in Sacramento and Washington. In 1951 the Legislature created the Metropolitan Transit Authority (MTA), our public agency predecessor, as a planning agency for rapid transit. The MTA had a seven-man Board of Directors appointed by the Governor. This agency accomplished little because it had no public financing and its authority was limited to planning and development only of a monorail line from the San Fernando Valley to Long Beach. Such a service would have competed with the private transit systems in the County, and, therefore, was opposed by these organizations.

The 1957 Legislature restructured the MTA to permit it to issue revenue bonds to purchase and operate the private bus and rail systems in the metropolitan area and to use fare box revenue to develop a rapid transit system. The theory was that if the public agency had fare box revenues it could build the rapid transit system without tax money. No one in modern times has been able to do that, but this fact was ignored.

When private financing and fare box revenues proved inadequate for the job, the Legislature acted in 1964, again not to solve the financing problem, but rather to reorganize the MTA into the current RTD. The Governor-appointed MTA Board was restructured, this time into a locally appointed Board of Directors.

Today, some ten years later, the defeat of Proposition A has brought forward the same old frustration among elected officials.



And again, instead of centering on the agency's fundamental fiscal inadequacy, the attention is directed at the agency's policy structure, a much safer course politically.

Suggestions for new legislation are already being made. One calls for a nine-member, elected Board. Another would have the County take over the agency. And still another would create a seven-member Board, five to be appointed by the County and two by the City of Los Angeles. As the new Legislature convenes in December and in January, we can expect to see many bills along these lines, most of which will avoid dealing with the real issue, financing, and instead center on the low political risk approach of restructuring the agency.

Unlike nearly every other major transit system, the RTD has never been provided its own taxing authority and, therefore, the ability to carry out its mandates. BART has had taxing authority, Alameda-Contra Costa Transit District has had it, even Orange County has had it, but not the RTD.

Also in Sacramento, legislators no doubt will turn their attention to formulating a statute which would help to avoid disastrous transit strikes, such as we have had in the last fifteen months at BART, AC in Oakland and at RTD.

We can also expect legislative attention in Sacramento to exclusive bus use on freeway lanes, senior citizen fares, commuter rail experiments and rapid transit construction. These matters and numerous bills

covering motor vehicle code, safety and insurance that are heard at every session of the Legislature will keep us extremely busy in Sacramento this coming year.

The scene in Washington, D. C., is equally active. It is expected that S. 386, the compromise Senate-House legislation providing approximately \$11.8 billion in operating and capital assistance to transit over the next five years, will be considered in the lame duck session which reconvened November 18. It is expected that the Senate will vote on this issue this week with House consideration, at the earliest, just prior to Thanksgiving. The District is playing a prominent role in this legislative activity at the Washington level. Our agency is working directly with our L. A. County Delegation in support of these measures. In addition, last week we participated in a Conference of Mayors meeting in The White House with Secretary Brinegar, who pledged the Administration's full support of S. 386. Our District, through your General Manager who is a Vice President of the American Public Transit Association and Chairman of the industry's Governmental Affairs Committee, is directly responsible for coordinating the transit industry's overall legislative efforts in Washington.

## Where We Go on Rapid Transit

The defeat of Proposition A is not a rejection of the need for better public transportation. There is no doubt that the worsening condition of the national economy was the overriding issue leading to the defeat of this transit funding measure. An additional tax simply was not acceptable to the voters at this time.

Strong evidence of this fact is the election in June of this year when the voters in Los Angeles County did vote by a 61% majority to use a portion of the gasoline tax for rapid transit construction. It is to this source of funds we must look to begin construction of the desperately needed transit system.

Acting on the Board's resolution passed at your last meeting, we have submitted a letter of intent to the State Department of Transportation stating for the record on behalf of the District and other jurisdictions concerned in our County our intent to file a formal application for the use of gasoline tax funds for the design and construction of the initial components of a regional, fixed-guideway rapid transit system for Los Angeles County. I might add that prior to sending this letter, it was discussed with Caltrans here in Los Angeles including Haig Ayanian, the District Engineer. All agreed such a letter should be on record expressing our agency's definite intent to pursue this course.

In the general discussion of grade-separated, high-capacity transit, we must not forget the near-term project we are working on with the County, specifically the commuter rail experiment mentioned earlier. This program can be implemented near term, given appropriate approvals, and thereby we can begin to prove the feasibility of rail transit as a means of meeting today's public transportation needs.

It ought also to be recognized that the election loss obviously affects the implementation schedule, but does not change the fact that we have an adopted transit development program that has been incorporated into SCAG's regional transportation plan and ratified by the various technical groups in other agencies which have participated in the formation of the program. It is, in fact, a tribute to the technical staffs of the agencies in this region that they have shown uncommon ability in this instance to get together while reserving options on mode and specific alignment. The plan has also received, with some exceptions, the broad support of the political leadership of the community.

Our best information on the amount of gasoline tax funds which might be available under Proposition 5 comes from Caltrans. They indicate that approximately \$208 million could be available for rapid transit in Los Angeles County during the period 1975-1980. Approximately half of this amount could be committed by the State of California, while the other half would require the approval of the cities and County of Los Angeles. Each of the 78 cities and County (for its unincorporated territory) receive an allotment under the Proposition 5 program, which in total equals approximately \$100 million over the next five years.



Needless to say, attaining approval of all of these jurisdictions on a single program will be difficult. However, since approximately \$100 million is under the control of the State of California, we can be encouraged by the strong indication of support from Caltrans and from the new State Administration on the idea of moving ahead using gasoline tax funds for rapid transit improvements.

As indicated, the approvals on the use of these funds rest in the State, the County and all of the cities in our County. The RTD cannot receive funds directly without the approval of these agencies.

As to the possible projects such money might be adequate to fund, we are already at work with Caltrans and the other jurisdictions in the development of alternatives. Some that appear to have promise include: a full scale starter line selected out of the total 145-mile, initial-phase corridor plan; a starter line using light rail on the portions of the total program where existing rights-of-way exist; busway construction (although there is real doubt as to whether Prop 5 money can be used for any bus-oriented project); and the possible construction of a people-mover project in one or more of our area's major activity centers. Whatever project evolves, it should be coordinated with our existing transit system, in particular the San Bernardino Busway.

Looking to funding at the Federal level, we see how crucial it is that we obtain passage as soon as possible of major Federal aid legislation. If we assume that S. 386 passes and that approximately

\$1 to \$1-½ billion in capital assistance becomes available to the Los Angeles area over the next five to six years, we begin to see that on a 4 to 1 matching basis the potential \$208 million of Prop 5 money could go a significant way toward providing the funding necessary to build a substantial backbone rapid transit line.

It would be your staff's intent to pursue these alternatives, working in concert with Caltrans, the cities and other planning agencies which are directly involved, so that as soon as possible, and hopefully by the end of this calendar year, we can begin to zero in on a consensus program for active development early in calendar 1975. It is important that the responsible agencies in Los Angeles County get together on such a project so that we might obtain our share of Federal matching funds early on. If we do not, those funds will go to other metropolitan areas which already have their projects qualified for such assistance. We simply cannot let the defeat of Proposition A be used as an excuse by the Federal Government to send those Federal dollars to other metropolitan areas. They must understand immediately that we intend to proceed aggressively and that we do have adequate local matching funds in the form of gasoline tax funds to begin a modest but effective rapid transit program.

#### Summary

In summary, Mr. President and Members of the Board, the loss of Proposition A is indeed disappointing, but not discouraging.

The need for transit improvement is no less pressing after this unsuccessful election. Service to transit dependent groups, potentials for auto diversions as a means to help achieve clean air goals, to reduce congestion and, most importantly, to conserve our fuels are critical, immediate community objectives.

We have an obligation to the Los Angeles metropolitan area. We have to face the stark reality that there is no major metropolitan area in the United States as vulnerable as Los Angeles to the devastating effects of gasoline shortages and major price increases and indications are that such are virtually inevitable. Those of us who understand this and are in a position to help do something about it must do so. Our work is cut out for us, and we're under way.

# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

1060 SOUTH BROADWAY • LOS ANGELES, CALIFORNIA 90015 • TELEPHONE (213) 749-6977

JACK R. GILSTRAP  
GENERAL MANAGER

February 12, 1975

TO: Board of Directors

FROM: Jack R. Gilstrap

SUBJECT: State Legislative Program for 1975-76 Session

Over the years the Southern California Rapid Transit District has actively worked for the passage of sound public transit legislation. The District has been a leader in the sponsorship of legislation to provide public fund support for transit operators in this State. The six month half-cent sales tax measure (AB 2136-Lanterman) passed by the Legislature in 1969 and the one-quarter cent sales tax levy (SB 325-Mills-Alquist-Deddeh) which provided the first ongoing transit funding in this state were bills sponsored by the Rapid Transit District.

As we reported to you in December, the level of activity in Sacramento this session will be hectic. Three bills have already been introduced to reconstitute the Board of Directors of the Southern California Rapid Transit District. In line with direction we have received from the Board Executive Committee, the staff will take no position on these bills to reorganize the District Board. President Neusom has publicly enunciated the Board's position by stating that the matter of the composition of the Board is a political issue and should properly be resolved through the legislative process.

The Board has instructed the staff to encourage legislation to provide the financing needed to carry forward our legislative mandates to build and operate a rapid transit system and to upgrade the existing bus system. Ideally, this funding source should take the form of direct taxing authority for the District, but we must be realistic in recognizing that politically this will be very difficult to accomplish.

As has been reported in the press, a measure (SB 101-Mills) has been introduced to transfer the Rapid Transit District's authority to build a rapid transit system to a new agency and to leave the Rapid Transit District to operate buses only. This issue is certainly separate and apart from the question of the Board structure and therefore it is our recommendation that the Rapid Transit District oppose legislation



to separate the rapid transit and bus system functions. One agency should be responsible for the construction and operation of the rapid transit and bus system; however, in the building of the rapid transit system, other public agencies naturally must play a major role and the District's past record shows our recognition of this fact in the cooperative approach our agency has taken in the development of our plans and proposals.

Directly related to the matter of the Rapid Transit District financing is the issue of diversion of SB 325 one-quarter cent sales tax funds to other cities. It has been suggested that attempts will be made to divert a portion of SB 325 funds which the Rapid Transit District and the present seven municipal bus operators receive to cities which have inaugurated transit service since 1971. As you may recall, the provisions of SB 325 prohibited municipal transit operators formed after 1971 from participating in the distribution of the transit development funds. We understand that there is growing sentiment among these new operators and other cities interested in starting transit systems to amend the law so that they might share in the SB 325 funds.

The Rapid Transit District has not opposed, rather we have assisted, cities which wish to provide new transit services with new sources of funds. However, if the quarter-cent sales tax funds are opened up to the new transit operators, we can anticipate that many cities with little or no transit experience will begin to experiment with their own bus system. Since the effect of such legislation would simply be to take money from the District and other present operators and give it to some one else, it is hard to see how this will improve transit. One thing is sure: it will cause further fragmentation of the transportation system in Los Angeles County. Such a course of action could significantly lessen the quality of public transportation in this area. For these reasons the staff recommends that the District oppose these efforts because it would further erode available funding to the District to operate the system and to qualify for matching funds at the federal level.

Along with the issue of funding we believe the District's legislative authority as the regional transit operator should be strengthened. In recent months the District has been thwarted in attempts to provide regional transit service in areas where our service area overlaps with the municipal operator. In this regard, we should seek the understanding and support of the League of Cities, the City and County of Los Angeles to grant the District the authority to serve the regional transit needs of the areas within our boundaries and to establish such services within the service areas of the municipal carriers if protection is provided the municipal carriers in the form of diversion payments by the District in cases where some passengers

are diverted by the municipal carrier to the Rapid Transit District. In spite of the justification and need for this change, we can expect vigorous opposition from the cities and perhaps others to any attempt to permit the District greater flexibility in providing needed regional service.

Another difficult legislative problem area concerns charter rights for the Rapid Transit District. For the last four years, and on other previous occasions, the District has unsuccessfully sought the right to charter its buses. Nearly every other major bus operator in this state except the Rapid Transit District has the privilege of chartering their buses. The right of charter would permit us to maximize the utilization of equipment and operators during the base periods and would generate badly needed revenues. It is recommended that we again pursue charter rights even though, as in the past, we can expect vigorous opposition from the private charter bus operators and the Teamsters union who represents the private carriers' operators.

In the area of bus system operational matters, we should seek to have legislation introduced to amend the Vehicle Code to permit the operations of the District's two double deck buses and the fleet of articulated buses we anticipate purchasing later this year. A temporary waiver has been obtained from CALTRANS to permit the operation of the double deck bus until such time as legislation can be adopted to change the Vehicle Code height standard. The double deck bus exceeds the current height standard by approximately six inches.

In addition to the double deck bus bill, the District needs and should urge legislation to permit weights in excess of 20,000 pounds on any axle of the articulated bus. The existing law permits heavier weight only on the rear axle. One final operational issue concerns legislation regarding the flasher lights installed on our buses as part of our passenger and operator safety program. A special permit was issued by the California Highway Patrol to permit us to use the flasher lights and we believe the success of this program warrants a permanent change to the Vehicle Code. We have reason to believe that these three items will be supported by the Department of Motor Vehicles and CALTRANS.

A change to the District law is needed to improve our purchasing procedures. The law now requires that for every purchase of \$3000 or more, the District must obtain formal bids. This limit established in 1964 has been eroded by inflation and makes the bidding process more costly and time consuming. It should be noted that a management audit conducted by Cresap, McCormick and Paget for the Senate Public Utilities,

February 12, 1975

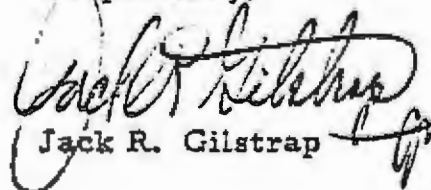
Transit and Energy Committee recommended that the bidding dollar limit for BART be raised from \$3000 to \$10,000. We believe that a change to \$5000 is appropriate for the District and consistent with sound purchasing practices.

Perhaps one of the most hotly debated issues in Sacramento this session will be the question of collective bargaining for public employees and the right to strike. Major legislation has already been introduced which establishes a procedure which is in some ways similar to the District's existing fact finding procedure. The measure (SB 275-Dills) is the product of the Joint Committee on Public Employer-Employee Relations and is supported by the leadership of both houses. The bill creates a Public Employee Relations Board to administer the employer-employee relations law. SB 275 provides an impasse resolution procedure and, within the limitations in the bill, permits public employees to strike. As the bill is now written, all transit operators will be covered by the measure. The bill provides for what, in effect, is binding arbitration if the courts judge a strike to imminently imperil public health and safety. Whether a public transportation strike would fall into this definition is a question. If it did, the Rapid Transit District would have binding arbitration in that the court could direct acceptance of the fact finders' report; if not, the District would be just about where it is today if this proposed legislation passes. It is the staff's recommendation that we carefully monitor this bill, but not take a prominent position on it.

In the area of transit labor relations, we can expect legislation sponsored by the labor unions which may be viewed as a reaction to the 68-day strike. One bill has been introduced (AB 331-Lockyer) which prohibits public agencies from purchasing advertisements stating a management position regarding a labor dispute. It is believed that the District should oppose AB 331 and any other bills which restrict the District's rights to inform the public.

As we have previously reported to you, we will be working very closely with the various committees of the Legislature as we anticipate a substantial number of bills will be introduced regarding public transit. If there is no objection, the staff will pursue the general legislative program outlined above and will continue to keep the Board informed throughout the legislative session as developments occur.

Respectfully,

  
Jack R. Gilstrap

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GENERAL MANAGER'S REPORT TO THE BOARD OF DIRECTORS  
NOVEMBER 19, 1974

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Mr. President and Members of the Board. My report today is quite extensive. It is an appropriate time to recap District activities leading up to the November 5 election on Proposition A and to report on some of the important things we must accomplish in the months ahead.

This report covers three major areas: our aggressive bus improvement program; vital legislative activities in Sacramento and Washington, D. C.; and what lies ahead in rapid transit.

District Accomplishments to Date

To begin with, it may be well to take a moment and look at the accomplishments of this agency and they are significant. Over the past few years the District has added 22 new lines; 600 new one-way route miles; increased its fleet by over 400 buses; and stepped in to fill the voids created by the failure of five private carriers, thus maintaining transit service in Watts, East Los Angeles, San Pedro, Inglewood and Pasadena. We have initiated more innovative transit services than any bus system in the Country, including the Freeway Flyer, Downtown Minibus, Park and Ride Service, Subscription Bus Service and the highly successful El Monte Busway Program. The Busway stands as a model nationally

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of the imaginative and highly effective utilization of buses in a rubber-tire-oriented metropolitan area.

The first contraflow lane in Los Angeles was established on Spring Street just a few months ago. Today it moves 112 buses during peak afternoon traffic to connecting freeway operation.

The Street Fleet bus service to the beaches from inland communities was established just this last summer to the great joy of beach goers throughout the County.

We all know of the multitude of new programs added with the help of Los Angeles County financing. Within the past few months we have increased our operating fleet by over 250 buses which are being used to handle the increased passenger loads resulting from the highly successful 10¢ Sunday and 25¢ Flat Fare programs. This latter program, of course, eliminated the 300+ zones which had complicated our operation for years.

In addition to these service activities the District has continued an aggressive training program that is now producing trained middle-management people who one day will be the backbone of this operation. Our Affirmative Action Program in the top three employment levels has led to a 38.8% increase in minorities.

All of these programs have acted to increase our overall pre-strike ridership some 22% which stands as the greatest increase in transit usage of any system in the United States according to American Transit Association reports.

### Improvement Programs Under Way

A very important service improvement program now under development is the joint Los Angeles County-RTD effort to obtain the use of existing rail tracks for commuter service in Los Angeles County. Within the next few weeks we expect to file a petition with the Public Utilities Commission in regard to this matter. Further, we are working with the County to seek railroad approval and Amtrak participation in the early implementation of a test commuter rail operation on the Santa Fe track between Orange County and Los Angeles County. This program would require significant bus system support and facilities in the suburban areas and at the downtown terminal. Fast collection and distribution service as well as parking where possible near the suburban stations and proper handling of passengers at rail stations must be provided. This project, if successful, could well be the turning point in the use of existing rail facilities for improved public transportation.

Turning to the bus system, within days the first of 300 new buses ordered last spring will be going into regular service.

Our first double-deck bus has been off loaded in New York and is on its way to Los Angeles. The RTD is the initiator in the experimental use of this type of bus of contemporary design which has the capability of increasing driver productivity by nearly 40%.

An additional 40 minibuses are now on order for the expansion of the downtown minibus program and for special purpose use in providing transit service to the physically handicapped under a program already authorized by your Board of Directors.

We believe we are close to finalizing plans for a new park and ride operation in the Santa Monica area using exclusive bus and carpool lanes on the Santa Monica Freeway. A Hollywood Freeway exclusive lane operation is also under development with the help of the California Department of Transportation (Caltrans).

The 25¢ Flat Fare funding by the County for this year provides for the experimental operation of grid bus systems in the San Fernando Valley and South Central Los Angeles, and the implementation of an experimental saturation bus service on Fairfax Avenue, doubling the service on the line by cutting headways from 12 to 6 minutes between Wilshire and Sunset Boulevards. Our current timetable calls for staged implementation from January 5 through March 2, so that the entire program will be in operation for at least four months of this fiscal year. These new services will involve over 200 additional buses.

In mentioning these new services, it should be noted that a significant effort is involved in expanding the District's fleet by this number of buses. Such an expansion amounts to increasing our fleet by a bus system approximately the size of the entire San Diego transit operation. It means

the recruiting, hiring and training of four to five hundred new employees; the acquisition through lease of two new facility sites along with the investment of over \$200,000 in facilities and equipment for maintenance and operation in the South Central area and San Fernando Valley; it means the planning and laying out of numerous new lines, the cutting of schedules and runs; it means an extensive public information and marketing effort; and it means a substantial increase in the overall responsibility and work load of the agency throughout the organizational structure.

All of this effort is required in order to operate these new services, although they are currently funded only through this fiscal year. While we are hopeful that the County will provide the funding necessary to continue these important services into next fiscal year, at this point there is no guarantee of such funding. Even with the passage of Federal operating assistance legislation this year, it is unlikely that there would be enough operating assistance made available to the District under that legislation to eliminate the need to call on County Federal Revenue Sharing assistance if we are to maintain the current 25¢ Flat Fare and the expanded system.

In December we shall be presenting to you for consideration a funding proposal for submission to the County for maintaining and augmenting these programs in Fiscal Year 1976. If adopted by your Board, the



proposal should be presented to the County for their consideration in budgeting for next fiscal year.

With continued Los Angeles County financial support, we are hopeful that the transfer interchange between the RTD and municipal services can be further improved.

Also in the area of new bus system programs, we are working closely with the Orange County Transit District in the coordination of a new park and ride operation and other expanded bus services.

Since the District first qualified for capital assistance under the Urban Mass Transportation Act of 1969, we have embarked on improvement programs totaling \$140 million, of which nearly \$43 million have come from highway funds for the Busway. Nearly \$106 million have been expended or committed leaving a balance of \$34 million yet to be committed. In addition to the Busway, these projects cover the purchase of 1,078 buses; construction improvements to five operating divisions; and the purchase of trucks, autos, shop equipment, two-way radios; a computer system and many other items for the modernization of our total operation.

Later this fiscal year, we will be filing an application to UMTA to fund further improvements and expansion, because as our fleet grows so do our needs for transportation and maintenance facilities.

With the action of the Board of Directors last week, 100 new, full-size transit buses will be purchased for delivery in mid-fiscal 1976.

In addition, the District anticipates completing specifications soon for the purchase of new buses which will provide for access by handicapped citizens.

In evaluating the impact of the strike on ridership we cannot readily make the usual comparison of one period compared to another because of the effect of the flat fare. Our best estimates are that present passenger volume is approximately 8% below that of the period immediately preceding the strike. If, however, we give weight to the normal seasonal trends in riding, we would estimate that we are 15% below anticipated levels had the strike not occurred. Because of the strike, it is now necessary for us to intensify our marketing and advertising effort.

Augmenting these important service programs now under way, are a number of internal organizational activities. Bus system marketing is getting special emphasis, as will employee courtesy, employee relations, governmental and community relations activities. Additionally, we will continue our vigorous efforts to provide safe, reliable transportation for our passengers.

In the past months we have dealt forcefully with the problem of assaults on our operators. Today all RTD buses are equipped with large roof numbers and special flasher lights to assist the police in providing protection for our employees and patrons. The efforts of the local

enforcement agencies are commendable in helping to bring this community problem under control. During the next twelve months we anticipate that we will have installed on every RTD bus a two-way radio and silent alarm system. We will also be moving forward in cooperation with the school district to develop a public information, educational program to communicate to the young people in the schools the serious impact of violence and vandalism on the total community.

The need to intensify communications at the community level is twofold. We need more community input to our planning process and, of course, more community support for Federal and State legislation to improve the quality and quantity of public transportation. Our community relations program is aimed at these objectives. We will soon be implementing a decentralized surface planning pilot program which we think offers real advantages to the community and the District in meeting the needs of our transit users.

Also in the planning area, and in response to the Board's request, your staff will be preparing programs to provide more useful information regarding passenger statistics and line-by-line profiles showing ridership and community benefit.

All in all, the bus system improvement program accomplishments to date, along with the activities under way, represent a bus service improvement program unsurpassed in the United States in terms of both magnitude and innovation. The Los Angeles area can be proud of this program.

Sacramento and Washington, D. C.

We can anticipate an active year in Sacramento and Washington. In 1951 the Legislature created the Metropolitan Transit Authority (MTA), our public agency predecessor, as a planning agency for rapid transit. The MTA had a seven-man Board of Directors appointed by the Governor. This agency accomplished little because it had no public financing and its authority was limited to planning and development only of a monorail line from the San Fernando Valley to Long Beach. Such a service would have competed with the private transit systems in the County, and, therefore, was opposed by these organizations.

The 1957 Legislature restructured the MTA to permit it to issue revenue bonds to purchase and operate the private bus and rail systems in the metropolitan area and to use fare box revenue to develop a rapid transit system. The theory was that if the public agency had fare box revenues it could build the rapid transit system without tax money. No one in modern times has been able to do that, but this fact was ignored.

When private financing and fare box revenues proved inadequate for the job, the Legislature acted in 1964, again not to solve the financing problem, but rather to reorganize the MTA into the current RTD. The Governor-appointed MTA Board was restructured, this time into a locally appointed Board of Directors.

Today, some ten years later, the defeat of Proposition A has brought forward the same old frustration among elected officials.



And again, instead of centering on the agency's fundamental fiscal inadequacy, the attention is directed at the agency's policy structure, a much safer course politically.

Suggestions for new legislation are already being made. One calls for a nine-member, elected Board. Another would have the County take over the agency. And still another would create a seven-member Board, five to be appointed by the County and two by the City of Los Angeles. As the new Legislature convenes in December and in January, we can expect to see many bills along these lines, most of which will avoid dealing with the real issue, financing, and instead center on the low political risk approach of restructuring the agency.

Unlike nearly every other major transit system, the RTD has never been provided its own taxing authority and, therefore, the ability to carry out its mandates. BART has had taxing authority, Alameda-Contra Costa Transit District has had it, even Orange County has had it, but not the RTD.

Also in Sacramento, legislators no doubt will turn their attention to formulating a statute which would help to avoid disastrous transit strikes, such as we have had in the last fifteen months at BART, AC in Oakland and at RTD.

We can also expect legislative attention in Sacramento to exclusive bus use on freeway lanes, senior citizen fares, commuter rail experiments and rapid transit construction. These matters and numerous bills

covering motor vehicle code, safety and insurance that are heard at every session of the Legislature will keep us extremely busy in Sacramento this coming year.

The scene in Washington, D. C., is equally active. It is expected that S. 386, the compromise Senate-House legislation providing approximately \$11.8 billion in operating and capital assistance to transit over the next five years, will be considered in the lame duck session which reconvened November 18. It is expected that the Senate will vote on this issue this week with House consideration, at the earliest, just prior to Thanksgiving. The District is playing a prominent role in this legislative activity at the Washington level. Our agency is working directly with our L. A. County Delegation in support of these measures. In addition, last week we participated in a Conference of Mayors meeting in The White House with Secretary Brinegar, who pledged the Administration's full support of S. 386. Our District, through your General Manager who is a Vice President of the American Public Transit Association and Chairman of the industry's Governmental Affairs Committee, is directly responsible for coordinating the transit industry's overall legislative efforts in Washington.

### Where We Go on Rapid Transit

The defeat of Proposition A is not a rejection of the need for better public transportation. There is no doubt that the worsening condition of the national economy was the overriding issue leading to the defeat of this transit funding measure. An additional tax simply was not acceptable to the voters at this time.

Strong evidence of this fact is the election in June of this year when the voters in Los Angeles County did vote by a 61% majority to use a portion of the gasoline tax for rapid transit construction. It is to this source of funds we must look to begin construction of the desperately needed transit system.

Acting on the Board's resolution passed at your last meeting, we have submitted a letter of intent to the State Department of Transportation stating for the record on behalf of the District and other jurisdictions concerned in our County our intent to file a formal application for the use of gasoline tax funds for the design and construction of the initial components of a regional, fixed-guideway rapid transit system for Los Angeles County. I might add that prior to sending this letter, it was discussed with Caltrans here in Los Angeles including Haig Ayanian, the District Engineer. All agreed such a letter should be on record expressing our agency's definite intent to pursue this course.

In the general discussion of grade-separated, high-capacity transit, we must not forget the near-term project we are working on with the County, specifically the commuter rail experiment mentioned earlier. This program can be implemented near term, given appropriate approvals, and thereby we can begin to prove the feasibility of rail transit as a means of meeting today's public transportation needs.

It ought also to be recognized that the election loss obviously affects the implementation schedule, but does not change the fact that we have an adopted transit development program that has been incorporated into SCAG's regional transportation plan and ratified by the various technical groups in other agencies which have participated in the formation of the program. It is, in fact, a tribute to the technical staffs of the agencies in this region that they have shown uncommon ability in this instance to get together while reserving options on mode and specific alignment. The plan has also received, with some exceptions, the broad support of the political leadership of the community.

Our best information on the amount of gasoline tax funds which might be available under Proposition 5 comes from Caltrans. They indicate that approximately \$208 million could be available for rapid transit in Los Angeles County during the period 1975-1980. Approximately half of this amount could be committed by the State of California, while the other half would require the approval of the cities and County of Los Angeles. Each of the 78 cities and County (for its unincorporated territory) receive an allotment under the Proposition 5 program, which in total equals approximately \$100 million over the next five years.



Needless to say, attaining approval of all of these jurisdictions on a single program will be difficult. However, since approximately \$100 million is under the control of the State of California, we can be encouraged by the strong indication of support from Caltrans and from the new State Administration on the idea of moving ahead using gasoline tax funds for rapid transit improvements.

As indicated, the approvals on the use of these funds rest in the State, the County and all of the cities in our County. The RTD cannot receive funds directly without the approval of these agencies.

As to the possible projects such money might be adequate to fund, we are already at work with Caltrans and the other jurisdictions in the development of alternatives. Some that appear to have promise include: a full scale starter line selected out of the total 145-mile, initial-phase corridor plan; a starter line using light rail on the portions of the total program where existing rights-of-way exist; busway construction (although there is real doubt as to whether Prop 5 money can be used for any bus-oriented project); and the possible construction of a people-mover project in one or more of our area's major activity centers. Whatever project evolves, it should be coordinated with our existing transit system, in particular the San Bernardino Busway.

Looking to funding at the Federal level, we see how crucial it is that we obtain passage as soon as possible of major Federal aid legislation. If we assume that S. 386 passes and that approximately

\$1 to \$1-½ billion in capital assistance becomes available to the Los Angeles area over the next five to six years, we begin to see that on a 4 to 1 matching basis the potential \$208 million of Prop 5 money could go a significant way toward providing the funding necessary to build a substantial backbone rapid transit line.

It would be your staff's intent to pursue these alternatives, working in concert with Caltrans, the cities and other planning agencies which are directly involved, so that as soon as possible, and hopefully by the end of this calendar year, we can begin to zero in on a consensus program for active development early in calendar 1975. It is important that the responsible agencies in Los Angeles County get together on such a project so that we might obtain our share of Federal matching funds early on. If we do not, those funds will go to other metropolitan areas which already have their projects qualified for such assistance. We simply cannot let the defeat of Proposition A be used as an excuse by the Federal Government to send those Federal dollars to other metropolitan areas. They must understand immediately that we intend to proceed aggressively and that we do have adequate local matching funds in the form of gasoline tax funds to begin a modest but effective rapid transit program.

#### Summary

In summary, Mr. President and Members of the Board, the loss of Proposition A is indeed disappointing, but not discouraging.

The need for transit improvement is no less pressing after this unsuccessful election. Service to transit dependent groups, potentials for auto diversions as a means to help achieve clean air goals, to reduce congestion and, most importantly, to conserve our fuels are critical, immediate community objectives.

We have an obligation to the Los Angeles metropolitan area. We have to face the stark reality that there is no major metropolitan area in the United States as vulnerable as Los Angeles to the devastating effects of gasoline shortages and major price increases and indications are that such are virtually inevitable. Those of us who understand this and are in a position to help do something about it must do so. Our work is cut out for us, and we're under way.

ASSEMBLY BILL 1246

Amended as of April 29th - 1975

TRANSMITTED AT THE REGULAR BOARD  
MEETING ON WEDNESDAY, MAY 1st - 1975



AMENDED IN ASSEMBLY APRIL 29, 1975

CALIFORNIA LEGISLATURE—1975-76 REGULAR SESSION

ASSEMBLY BILL

No. 1246

Introduced by Assemblymen Ingalls and Vicencia

March 20, 1975

REFERRED TO COMMITTEE ON TRANSPORTATION

An act to amend Section 29532 of add Section 29532.4 to the Government Code, to amend Sections 30000, 30004, and 30100 30100, 99233, and 99234 of, to amend the heading of Part 3 (commencing with Section 30000) of Division 10 of, to add Section 30265 Sections 30265 and 99233.7 to, and to add Division 12 (commencing with Section 130000) to, the Public Utilities Code, and to amend Section 199 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1246, as amended, Ingalls (Trans.). County transportation commissions.

(1) Under existing law, there is a Southern California Rapid Transit District.

This bill would redesignate the district as the Los Angeles Regional Transit District.

(2) Under existing law, no provision is made for an advisory committee to the district board of directors.

The bill would require the board to appoint an advisory committee.

(3) Under existing law, there is no public entity designated as a county transportation commission.

The bill would create a county transportation commission

in each of the Counties of Los Angeles, Orange, Riverside, and San Bernardino to coordinate transit service, to approve transit system planning, and to designate the operators of guideway and rapid transit systems. The commissions would be designated as (1) the designated transportation planning agencies for the allocation of funds under the Mills-Alquist-Deddeh Act and (2) the designated recipients for purposes of federal laws. The Los Angeles County Transportation Commission would be required to submit to the Legislature a progress report not later than July 1, 1976, and a final report with recommendations not later than February 1, 1977, on the transit situation in Los Angeles County.

(4) *Under the Mills-Alquist-Deddeh Act, funds are allocated for, among other things, administrative and planning functions.*

*The bill would, after deductions for specified administrative and planning allocations, authorize allocations up to 2% of funds available under that act to multicounty designated transportation planning agencies which include areas under the jurisdiction of the commissions.*

(5) *Under existing law, the regional transportation plans for the areas under the jurisdiction of the commissions are required to be prepared by councils of governments.*

*The bill would make the multicounty designated transportation planning agencies responsible for long-term transportation system planning, and the commissions responsible for short-range capital and service planning, in the areas under the jurisdiction of the commissions.*

(6) *Under the Urban Mass Transportation Act of 1964, as amended by the National Mass Transportation Assistance Act of 1974, for an urban area with a population of 200,000 or more, the designated recipient is the statewide or regional agency that is responsible under state law for the financing, construction, and operation of public transportation services in that area.*

*The bill would designate the commissions as such recipients.*

(7) *Under the same federal act specified in (6), the Secretary of Transportation may make grants to states and local public bodies for mass transportation capital expenditures in*

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urban areas.

The bill would prohibit any public entity in an area under the jurisdiction of a commission, except the commission, from applying for such grants.

(8) Under existing law, the Department of Transportation has no authority to design or construct transit systems.

The bill would require the department, and would authorize the department in the case of a chartered city, to design and construct approved guideway and rapid transit system in counties with commissions.

(5) (9) The bill would make other related and conforming changes.

(6) (10) The bill would provide that no appropriation would be made or nor any obligation created for the reimbursement of any local agency for any costs incurred by it pursuant to this bill.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no state funding.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 29532 of the Government Code  
2 SECTION 1. Section 29532.4 is added to the  
3 Government Code, to read:

4 29532.4. Notwithstanding Section 29532, any county  
5 transportation commission created by Division 12  
6 (commencing with Section 130000) of the Public Utilities  
7 Code shall be designated by the Secretary of the Business  
8 and Transportation Agency as the transportation  
9 planning agency for the area under its jurisdiction for  
10 purposes of Section 29532.

11 is amended to read:

12 29532. Out of the funds appropriated pursuant to  
13 Section 29531, the county auditor shall pay to public  
14 transportation entities such amounts as are allocated by  
15 the transportation planning agencies designated by the  
16 Secretary of the Business and Transportation Agency as  
17 follows:

18 (a) For a county included within the jurisdiction of a  
19 statutorily created regional transportation planning

1 agency, such agency:

2 (b) For a county which is not included within the  
3 jurisdiction of a statutorily created regional  
4 transportation agency, but for which there is a county  
5 transportation commission, such commission:

6 (c) For a county which is not included within the  
7 jurisdiction of a statutorily created regional  
8 transportation agency or a county transportation  
9 commission but for which there is a council of  
10 governments, and an election has not been made  
11 pursuant to Section 29536; such council. For such a county  
12 for which an election has been made under the provisions  
13 of Section 29536 to form a local transportation  
14 commission, such local transportation commission  
15 authorized in Section 29535.

16 (d) For a county not within the jurisdiction of any of  
17 the above entities, the local transportation commission  
18 authorized in Section 29535.

19 SEC. 2. The heading of Part 3 (commencing with  
20 Section 30000) of Division 10 of the Public Utilities Code  
21 is amended to read:

22  
23 **PART 3. LOS ANGELES REGIONAL TRANSIT**  
24 **DISTRICT**

25  
26 SEC. 3. Section 30000 of the Public Utilities Code is  
27 amended to read:

28 30000. This part shall be known as the Los Angeles  
29 Regional Transit District Law.

30 SEC. 4. Section 30004 of the Public Utilities Code is  
31 amended to read:

32 30004. "District," as used in this part, means the Los  
33 Angeles Regional Transit District.

34 Any reference in any law to the Southern California  
35 Rapid Transit District shall be deemed to refer to the Los  
36 Angeles Regional Transit District.

37 SEC. 5. Section 30100 of the Public Utilities Code is  
38 amended to read:

39 30100. The Southern California Rapid Transit District  
40 is continued in existence as the Los Angeles Regional



1 Transit District, comprising that territory hereinafter  
2 described in this section lying within the boundaries of  
3 the County of Los Angeles and such territory in the  
4 County of Los Angeles and in other counties as may be  
5 hereafter annexed to the district as provided in this part.

6 The territory within the County of Los Angeles which is  
7 hereby created into such district is described as follows:

8 All that portion of the County of Los Angeles, State of  
9 California, lying southerly of the line formed by the south  
10 lines of Sections 13, 14, 15, 16, 17, and 18 of Township 3  
11 North, Range 15 West S.B.B. & M., the south lines of  
12 Sections 13, 14, 15, 16, 17, and 18 of Township 3 North,  
13 Range 16 West S.B.B. & M., the west line of Range 16  
14 West S.B.B. & M., and the south lines of Sections 13 and  
15 14 of Township 3 North, Range 17 West S.B.B. & M., and  
16 the westerly extension of such lines in the Rancho Simi to  
17 the westerly boundary of the County of Los Angeles, and  
18 westerly of the east line of Range 15 West S.B.B. & M., and  
19 all that portion of the remainder of said county lying  
20 southerly of the north line of Township 2 North S.B.B. &  
21 M., excepting therefrom the islands of Santa Catalina and  
22 San Clemente.

23 SEC. 6. Section 30265 is added to the Public Utilities  
24 Code, to read:

25 30265. The board shall appoint an advisory committee  
26 to review levels of transit service and submit  
27 recommendations to the board on transit improvements.  
28 The members of the advisory committee shall serve  
29 without compensation, and the composition of the  
30 committee shall include representation from all areas  
31 within the service area of the district.

32 SEC. 7. *Section 99233 of the Public Utilities Code is*  
33 *amended to read:*

34 99233. The fund shall be allocated by the designated  
35 transportation planning agency in accordance with the  
36 following priorities:

37 (a) First, there shall be allocated to the county such  
38 sums as are necessary for the county to administer this  
39 chapter.

40 (b) Thereafter there shall be allocated to the

1 transportation planning agency such sums as are  
2 necessary to administer this chapter.

3 (c) Thereafter there shall be allocated to the  
4 transportation planning agency, if it is statutorily created,  
5 or is serving as the California representation to an agency  
6 created by interstate compact, such sums as it may  
7 approve up to 3 percent of annual revenues for the  
8 conduct of the transportation planning process, unless a  
9 greater amount is approved by the secretary.

10 (d) *Thereafter allocations may be made to the*  
11 *multicounty designated transportation planning agency*  
12 *pursuant to Section 99233.7.*

13 (e) Thereafter there shall be allocated to cities and  
14 counties such moneys as are approved by the  
15 transportation planning agency for claims presented  
16 pursuant to Section 99234.

17 ~~(e)~~ (f) Thereafter there shall be allocated to  
18 operators such moneys as are approved by the  
19 transportation planning agency for claims presented  
20 pursuant to Article 4 (commencing with Section 99260)  
21 of this chapter.

22 ~~(f)~~ (g) Thereafter there shall be allocated to cities  
23 and counties such moneys as are approved by the  
24 transportation planning agency for claims presented  
25 pursuant to Article 8 (commencing with Section 99400)  
26 of this chapter.

27 *SEC. 8. Section 99233.7 is added to the Public Utilities*  
28 *Code, to read:*

29 *99233.7. After allocations for the purposes specified in*  
30 *subdivisions (a), (b), and (c) of Section 99233, up to 2*  
31 *percent of the remaining money in the fund for the area*  
32 *under the jurisdiction of a county transportation*  
33 *commission may be allocated to the multicounty*  
34 *transportation planning agency which includes that area*  
35 *for long-term transportation system planning pursuant to*  
36 *Section 130301.*

37 *SEC. 9. Section 99234 of the Public Utilities Code is*  
38 *amended to read:*

39 99234. (a) After allocations for the purposes specified  
40 in subdivisions (a), (b), and (c) of Section 99233 and

1 Section 99233.7, 2 percent of the remaining moneys shall  
 2 be made available to cities and counties for facilities  
 3 provided for the exclusive use by pedestrians and  
 4 bicycles, unless the transportation planning agency finds  
 5 that such moneys could be used to better advantage for  
 6 the purposes stated in Article 4 (commencing with  
 7 Section 99260) of this chapter, or for local street and road  
 8 purposes in those areas where such moneys may be  
 9 expended for such purposes, in the development of a  
 10 balanced transportation system.

11 (b) Claims for such facilities shall be filed in the same  
 12 manner as are claims filed for the purposes of subdivision  
 13 (a) of Section 99400.

14 (c) Such moneys shall be allocated for the  
 15 construction of such facilities pursuant to a priority list of  
 16 such facilities prepared by the transportation planning  
 17 agency for the area within its jurisdiction.

18 (d) Such moneys may be allocated without respect to  
 19 Section 99231 and shall not be included in determining  
 20 the apportionments to a city or county for purposes of  
 21 subdivisions ~~(e)~~ and (f) and (g) of Section 99233.

22 (e) The transportation planning agency shall review  
 23 its allocations made pursuant to subdivision (a) of this  
 24 section within 30 days after receiving a request for such  
 25 review from any city or county in the area within the  
 26 jurisdiction of the transportation planning agency.

27 SEC. 10. Division 12 (commencing with Section  
 28 130000) is added to the Public Utilities Code, to read:

29  
 30 DIVISION 12. COUNTY TRANSPORTATION  
 31 COMMISSIONS

32  
 33 CHAPTER 1. GENERAL PROVISIONS, FINDINGS, AND  
 34 DEFINITIONS

35  
 36 130000. This division shall be known and may be cited  
 37 as the County Transportation Commissions Act.

38 130001. The Legislature hereby finds and declares  
 39 that:

40 (a) Public demand for an efficient public



1 transportation system in the southern California region  
2 resulting from population sprawl, the concentration of  
3 many transit dependent citizens in the large urban areas,  
4 and increasing mobility requirements indicates a need  
5 for improved, as well as more innovative, policy and  
6 decisionmaking institutions to resolve these problems.

7 (b) A basic purpose of transportation policy within the  
8 region should be to avoid undesirable duplication of  
9 transportation services, achieve the operation of a  
10 coordinated and integrated transportation system which  
11 will reduce automobile usage and dependency, reduce  
12 the consumption of scarce and expensive energy fuels,  
13 and reduce the levels of automobile-related air pollution.

14 (c) The transportation system should be designed to  
15 offer low-cost public transportation to all citizens,  
16 particularly those immobilized by poverty, age, physical  
17 handicaps, or other reasons.

18 (d) The transportation system should be designed,  
19 operated, and maintained so that it will be competitive to  
20 the automobile in time, convenience, and in user cost in  
21 order to attract patrons in large numbers, and efforts  
22 should be made to attract patrons with all features of the  
23 system.

24 (e) The transportation decisionmaking process should  
25 be responsive to public values, and provide for the  
26 continuing involvement of the public in the preparation,  
27 revision, and discussion of transportation plans and  
28 services.

29 (f) Transportation planning should recognize that  
30 transportation systems have significant effect on the  
31 physical and socioeconomic characteristics of the areas  
32 served, and emphasis should be given to the protection  
33 and enhancement of the environment and the  
34 restoration of blighted neighborhoods near community  
35 centers.

36 - 130002. As used in this division, "commission" means  
37 a county transportation commission created pursuant to  
38 Chapter 2 (commencing with Section 130050).

39 130003. As used in this division, "local transportation  
40 zones" mean community transit zones charged with



1 providing intracity or intracommunity trips primarily on  
2 residential streets, and feeding into the regional or  
3 line-haul system. Limited intercity trips within a zone  
4 may be provided.

5 Local transportation zones shall consist of adjacent,  
6 affinity cities or unincorporated areas, with transit  
7 service provided by one city within the zone, or by a joint  
8 powers agreement between two or more cities or  
9 communities within the zone, or by contract with the  
10 regional or line-haul operator. There shall be a single  
11 administration, maintenance, and service facility for each  
12 such zone.

Ops

14 CHAPTER 2. CREATION OF COMMISSIONS

16 130050. There is hereby created a commission in each  
17 of the following counties: Los Angeles, Orange, Riverside,  
18 and San Bernardino.

19 ~~130050~~ 130051. Except as provided in Sections ~~130051~~  
20 ~~and 130052~~ 130052 and 130054, the commission shall  
21 consist of five members appointed as follows:

22 (a) Two members of the board of supervisors  
23 appointed by that board.

24 (b) Two members appointed by the city selection  
25 committee.

26 (c) One member appointed by the executive  
27 committee of the Southern California Association of  
28 Governments.

29 ~~130051~~ 130052. The Los Angeles County  
30 Transportation Commission shall consist of nine  
31 members appointed as follows:

32 (a) Two members of the Los Angeles County Board of  
33 Supervisors appointed by that board.

34 (b) Two members appointed by the Mayor of the City  
35 of Los Angeles, subject to the approval of the City  
36 Council of the City of Los Angeles.

37 (c) Two members appointed by the Los Angeles  
38 County city selection committee, excluding the member  
39 representing the City of Los Angeles. One of the  
40 members appointed shall represent a city operating a

Why such heavy State role?

1 *municipal transit system.*

2 (d) One member appointed by the Governor.

3 (e) One member appointed by the President pro  
4 Tempore of the Senate.

5 (f) One member appointed by the Speaker of the  
6 Assembly.

7 ~~130052~~ 130053. Two counties, each with a population  
8 of 1,000,000 or less, may, upon the approval of both boards  
9 of supervisors and of a majority of the city councils in the  
10 two counties, create a joint county transportation  
11 commission.

12 ~~130053~~ 130054. A joint commission shall consist of five  
13 members appointed as follows:

14 (a) One member from each of the board of supervisors  
15 appointed by that board.

16 (b) One member appointed by each of the city  
17 selection committee.

18 (c) One member appointed by the executive  
19 committee of the Southern California Association of  
20 Governments.

21

22

### CHAPTER 3. ADMINISTRATION

23

24 130100. The commission at its first meeting, and  
25 thereafter annually at the first meeting in January, shall  
26 elect a chairman who shall preside at all meetings, and a  
27 vice chairman who shall preside in his absence. In the  
28 event of their absence or inability to act, the members  
29 present, by an order entered in the minutes, shall select  
30 one of their members to act as chairman pro tem, who,  
31 while so acting, shall have all of the authority of the  
32 chairman.

33 130101. The commission shall establish rules for its  
34 proceedings.

35 130102. A majority of the members of the commission  
36 shall constitute a quorum for the transaction of business,  
37 and all official acts of the commission shall require the  
38 affirmative vote of a majority of the members of the  
39 commission.

40 130103. The acts of the commission shall be expressed

1 by motion, resolution, or ordinance.

2 130104. All meetings of the commission shall be  
3 conducted in the manner prescribed by the Ralph M.  
4 Brown Act (Chapter 9 (commencing with Section  
5 54950), Part 1, Division 2, Title 5 of the Government  
6 Code).

7 130105. The commission shall:

8 (a) Adopt an annual budget and fix the compensation  
9 of its officers and employees.

10 (b) Adopt an administrative code, by ordinance,  
11 which shall prescribe the powers and duties of  
12 commission officers, the method of appointment of  
13 commission employees, and methods, procedures, and  
14 systems of operation and management of the  
15 commission.

16 (c) Cause a postaudit of the financial transactions and  
17 records of the commission to be made at least annually by  
18 a certified public accountant.

19 (d) Appoint a technical advisory committee of transit  
20 operators, ~~a citizen's advisory committee on transit~~  
21 ~~service~~, and such other advisory committees it deems  
22 necessary.

23 (e) Do any and all things necessary to carry out the  
24 purposes of this division.

25 ~~130103~~ 130106. *Notice of time and place of the public*  
26 *hearing for the adoption of the annual budget shall be*  
27 *published pursuant to Section 6061 of the Government*  
28 *Code, and shall be published not later than the 15th day*  
29 *prior to the date of the hearing.*

30 *The proposed annual budget shall be available for*  
31 *public inspection at least 15 days prior to the hearing.*

32 130107. A commission in a county, or a joint  
33 commission in the two counties, with a population of  
34 1,000,000 or more shall appoint a full-time executive  
35 director who shall act for the commission under its  
36 direction.

37 ~~130104~~ 130108. Each member of a commission shall  
38 be compensated at the rate of fifty dollars (\$50), or  
39 seventy-five dollars (\$75) where a commission or joint  
40 commission is located in a county or counties, as the case

1 may be, with a population of 1,000,000 or more, for any  
2 compensated at the rate of seventy-five dollars (\$75) for  
3 any day attending to the business of the commission, and  
4 such necessary traveling and personal expenses incurred  
5 in the performance of his duties as authorized by the  
6 commission.

#### 7 8 CHAPTER 4. POWERS AND FUNCTIONS

##### 9 10 Article 1. Corporate Powers

11  
12 130200. The commission has perpetual succession and  
13 may adopt a seal and alter it at its pleasure.

14 130201. The commission may sue and be sued, except  
15 as otherwise provided by law, in all actions and  
16 proceedings, in all courts and tribunals of competent  
17 jurisdiction.

18 130202. All claims for money or damages against the  
19 commission are governed by Division 3.6 (commencing  
20 with Section 810) of Title 1 of the Government Code  
21 except as provided therein, or by other statutes or  
22 regulations expressly applicable thereto.

##### 23 24 Article 2. Contracts

25  
26 130220. The commission may make contracts and  
27 enter into stipulations of any nature whatsoever either in  
28 connection with eminent domain proceedings or  
29 otherwise, including, without limiting the generality of  
30 the foregoing, contracts and stipulations to indemnify  
31 and save harmless, to employ labor, and to do all acts  
32 necessary and convenient for the full exercise of the  
33 powers granted in this division.

34 130221. The commission may contract with any  
35 department or agency of the United States of America,  
36 with any public agency, or with any person upon such  
37 terms and conditions as the board finds is in its best  
38 interest.

39 130222. Contracts for the purchase of supplies,  
40 equipment, and materials in excess of three thousand five



1 ~~hundred dollars (\$2,500)~~ *five thousand dollars (\$5,000)*  
2 shall be awarded to the lowest responsible bidder after  
3 competitive bidding, except in emergency declared by  
4 the vote of two-thirds of the membership of the  
5 commission.

6 130223. If, after rejecting bids received under Section  
7 130222, the commission determines and declares by a  
8 two-thirds vote of all of its members that, in its opinion,  
9 the supplies, equipment, or materials may be purchased  
10 at a lower price in the open market, the commission may  
11 proceed to purchase these supplies, equipment, or  
12 materials in the open market without further observance  
13 of the provisions regarding contracts, bids, or  
14 advertisements.

15  
16 Article 3. Transit Systems  
17

18 130250. The commission shall coordinate the  
19 operation of all public transit services within the county  
20 so as to achieve efficient operation thereof and shall  
21 resolve all jurisdictional disputes between public transit  
22 operators. In addition, the commission shall encourage  
23 transit operators and communities to meet public  
24 demands for local and regional public transportation  
25 service.

26 130251. *The commission shall not reduce the size of*  
27 *the service areas under the jurisdiction of presently*  
28 *existing municipal transit operators, or the scope of their*  
29 *operation, without their prior consent.*

30 130252. All plans proposed for the design,  
31 construction, and implementation of guideway transit  
32 systems, rapid transit systems, or major mass transit  
33 systems shall be submitted to the commission for  
34 approval. No such plan shall be approved unless it  
35 conforms to the appropriate adopted regional  
36 transportation plan.

37 ~~130252~~ 130253. Any plan for a transit system proposed  
38 to serve more than one county shall also be submitted for  
39 approval by the Southern California Association of  
40 Governments.

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1 ~~130253~~ 130254. The commission shall designate the  
2 operator of any approved guideway or rapid transit  
3 system.

4 ~~130254~~ 130255. The commission shall require all  
5 planning for guideway and rapid transit systems be  
6 coordinated with the Department of Transportation and  
7 the Southern California Association of Governments.

8 ~~130255~~ 130256. The Department of Transportation  
9 shall, and in the case of a chartered city may, design and  
10 construct any approved guideway or rapid transit system.

11 130257. The commission shall require local  
12 transportation zones to meet the following operational  
13 standards:

14 (a) To operate not less than one vehicle per 10,000  
15 population.

16 (b) To operate not less than 10 hours per day and not  
17 less than six days per week.

18 (c) To operate not less than five vehicles in passenger  
19 service.

20 (d) To operate no vehicles or transit equipment over  
21 30 feet in length, or with a seating capacity of over 37  
22 passengers.

23 (e) To operate under full-time supervision.

24 130258. The commission shall require full cooperation  
25 and coordination between the regional or line-haul  
26 operator and the local transportation zones in such  
27 matters as schedules, routes, and exchange of transfers.

28 The commission shall ensure that regional and  
29 line-haul operators and local transportation zones do not  
30 compete or duplicate services, but assist each other to  
31 provide the maximum level of transit service to the  
32 general public.

33  
34 Article 4. Los Angeles County Transportation  
35 Commission  
36

37 130290. The Los Angeles County Transportation  
38 Commission shall review the present institutional  
39 structure of transit operations within the County of Los  
40 Angeles, the present method of allocating local, state, and

1 federal funds for transit services, and the present levels  
2 of transit service provided within the county.

3 The commission shall prepare a report for submission  
4 to the Legislature containing such recommendations for  
5 changes and improvements in institutional  
6 arrangements, methods of funding, levels of service, and  
7 other matters as, in the opinion of the commission, may  
8 be necessary.

9 130291. The report shall consider and contain  
10 recommendations on the feasibility of establishing a  
11 number of local transportation zones within the County  
12 of Los Angeles to provide an improved level of local- and  
13 community-based transit service. The consideration of  
14 such zones shall include, but not be limited to, the  
15 establishment of local governing boards to direct service,  
16 types of equipment to be utilized, and methods of  
17 allocating funds for this purpose.

18 130292. The report shall address itself to, and contain  
19 recommendations for transit solutions to, the following  
20 goals:

21 (a) The reduction of automobile congestion in and  
22 around the Los Angeles central business district and  
23 other heavily congested corridors and areas within the  
24 County of Los Angeles.

25 (b) The reduction of automobile travel within the  
26 county, to conserve fuel and reduce automobile-related  
27 air pollution.

28 (c) Improvements in the level of transit service for the  
29 handicapped, the poor, the elderly, and other  
30 transit-dependent segments of the population.

31 (d) The upgrading and improvements of blighted  
32 sections of the urban area, with emphasis on restoring  
33 residential neighborhoods in close proximity to  
34 employment centers.

35 130293. A progress report shall be transmitted to the  
36 Legislature not later than July 1, 1976, and the final report  
37 containing all recommendations shall be transmitted to  
38 the Legislature not later than February 1, 1977.



1 Article 5. Other Transportation Functions

2  
3 Article 5. Transportation Planning and Programming

4  
5 130300. The Legislature finds and declares:

6 (a) That the near-term programming and budgeting  
7 requirements of state and federal law is a cooperative  
8 intergovernmental planning process intended to  
9 determine the foreseeable capital and operational needs  
10 of a multimodal transportation system.

11 (b) That there is an absence of an adequate forum in  
12 which local officials may exercise leadership in  
13 multimodal transportation planning and programming.

14 (c) Therefore, it is in the public interest to define the  
15 roles of various public entities with respect to long-range  
16 system planning and short-range capital and service  
17 planning and programming processes.

18 130301. The multicounty designated transportation  
19 planning agency which includes the area of the  
20 commission shall be responsible for long-range  
21 transportation system planning in such area.

22 Such planning shall be directed to, among other things:

23 (a) Identification of corridors of travel.

24 (b) Definition of the transportation problems of each  
25 corridor.

26 (c) Definition of the transportation goals for each  
27 corridor.

28 (d) Definition of land use goals, with the concurrence  
29 of affected local jurisdictions, that should be supported by  
30 transportation investment decisions in each corridor.

31 (e) Recommendation of priority corridors for major  
32 resource allocations.

33 (f) Recommendation of the mix of alternative  
34 transportation modes appropriate for deployment in  
35 light of the transportation needs and goals for each  
36 corridor.

37 (g) Recommendation of environmental, economic,  
38 energy, and social policies that should guide  
39 transportation investment decision within corridors.

40 (h) Review and comment concerning all near-term



1 transportation improvement programs after the  
2 development of, but prior to, adoption of such programs  
3 by the commission. Such review shall be conducted in  
4 such a manner that does not unnecessarily slow or  
5 impede the planning and programming process.

6 130302. With respect to the area under its jurisdiction,  
7 the commission shall be responsible for short-range  
8 capital and service planning directed to:

9 (a) Determination of the total amount of funds that  
10 could be available to the commission for transportation  
11 planning and development.

12 (b) Development and approval of a short-range three-  
13 to five-year transportation improvement program with  
14 an annual updated element reflecting all transportation  
15 capital and service priorities within the jurisdiction of the  
16 commission to be developed with all appropriate  
17 coordination and cooperation between the commission  
18 and state and local transportation agencies and operators.  
19 The program shall also be developed in coordination with  
20 the multicounty designated transportation planning  
21 agency and shall be reviewed and commented on  
22 pursuant to subdivision (h) of Section 130301.

mandatory duplication

23 (c) Coordination and approval of all public mass  
24 transit service within the jurisdiction of the commission  
25 and between the jurisdiction of other commissions or  
26 transit operators.

part

27 (d) Determination or approval of the location and  
28 capacity needs of all capital development projects,  
29 including, but not limited to, exclusive public mass transit  
30 guideway systems and projects on the National System of  
31 Interstate and Defense Highways.

32 (e) Selection of appropriate transportation hardware  
33 and technology.

34 (f) Overall staging of all transportation improvement  
35 projects.

36 (g) Development <sup>of</sup> an annual unified work program  
37 for all transportation planning activities within the  
38 jurisdiction of the commission in cooperation and  
39 coordination with the Department of Transportation and  
40 the multicounty designated transportation planning

1. agency and in conformance with federal laws and rules  
2. and regulations. Such cooperation and coordination shall  
3. specifically apply to the determination of appropriate  
4. planning methods for projecting and planning  
5. transportation and land use within the jurisdiction of the  
6. commission.

7. **The 130303.** The commission is hereby designated as  
8. the designated recipient for purposes of Section 1604 of  
9. Title 49 of the United States Code for the county in which  
10. it is located.

11. The commission may receive any money pursuant to  
12. Section 1604 of Title 49 of the United States Code for mass  
13. transit purposes, and reallocate such money for such  
14. purposes in accordance with federal law and rules and  
15. regulations.

16. **SEC. 8 130304.** The commission shall take all action  
17. necessary to obtain the maximum amount of funding  
18. available pursuant to Section 1602 of Title 49 of the  
19. United States Code. No other public entity in the county  
20. within which the commission is located shall file  
21. application for such funds.

22. **SEC. 11.** Section 199 of the Streets and Highways  
23. Code is amended to read:

24. 199. Upon the approval of a proposition by the voters  
25. of an area pursuant to Section 4 of Article XXVI of the  
26. California Constitution, the entity, including, but not  
27. limited to, a transit district, responsible for construction  
28. of an exclusive mass transit guideway project in that area  
29. may submit the project to the department for inclusion  
30. in its resource allocation recommendations. If the project  
31. is located within an area under the jurisdiction of a  
32. statutorily created regional transportation agency  
33. including a county transportation commission, the  
34. project shall be approved by the agency prior to being  
35. submitted to the department.

36. The department shall submit its resource allocation  
37. recommendations for that project for the comment and  
38. review of the transportation planning agency designated  
39. in Section 29532 of the Government Code for the area,  
40. except that in the case of a project located within an area



1 under the jurisdiction of a statutorily created regional  
2 transportation agency, including a county transportation  
3 commission, the project shall be approved by the agency.  
4 In addition all projects shall be submitted by the  
5 department to the State Transportation Board for their  
6 approval as being in conformance with the regional  
7 transportation plan for that area and California  
8 Transportation Plan, before the department presents its  
9 budget recommendations to the commission for funding  
10 the project from the State Highway Account under such  
11 terms and conditions as the commission and board deem  
12 appropriate and subject to the percentage limitation of  
13 Section 200.

14 If, at any time during the resource allocation decision  
15 process, the department or commission is unable to  
16 achieve an agreement with the entity concerning a  
17 transit project, the entity, the department, or the  
18 commission may request the Secretary of Business and  
19 Transportation Agency to convene and chair a  
20 committee composed of an equal number of members of  
21 the board and commission to resolve the disagreement.

22 The funds set aside pursuant to this section shall be  
23 deemed expenditures on the state highway system for  
24 purposes of Sections 188, 188.8, and 188.9 and shall be  
25 separately identified in the budget report submitted to  
26 the Legislature pursuant to Sections 143.1 and 143.2.

27 ~~SEC. 10~~ *SEC. 12*. No appropriation is made by this  
28 act, nor is any obligation created thereby under Section  
29 2231 of the Revenue and Taxation Code, for the  
30 reimbursement of any local agency for any costs that may  
31 be incurred by it in carrying on any program or  
32 performing any service required to be carried on or  
33 performed by it by this act.



# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

1060 SOUTH BROADWAY • LOS ANGELES, CALIFORNIA 90015 • TELEPHONE (213) 749-6977

JACK R. GILSTRAP  
GENERAL MANAGER

February 12, 1975

TO: Board of Directors

FROM: Jack R. Gilstrap

SUBJECT: State Legislative Program for 1975-76 Session

Over the years the Southern California Rapid Transit District has actively worked for the passage of sound public transit legislation. The District has been a leader in the sponsorship of legislation to provide public fund support for transit operators in this State. The six month half-cent sales tax measure (AB 2136-Lanterman) passed by the Legislature in 1969 and the one-quarter cent sales tax levy (SB 325-Mills-Alquist-Deddeh) which provided the first ongoing transit funding in this state were bills sponsored by the Rapid Transit District.

As we reported to you in December, the level of activity in Sacramento this session will be hectic. Three bills have already been introduced to reconstitute the Board of Directors of the Southern California Rapid Transit District. In line with direction we have received from the Board Executive Committee, the staff will take no position on these bills to reorganize the District Board. President Neusom has publicly enunciated the Board's position by stating that the matter of the composition of the Board is a political issue and should properly be resolved through the legislative process.

The Board has instructed the staff to encourage legislation to provide the financing needed to carry forward our legislative mandates to build and operate a rapid transit system and to upgrade the existing bus system. Ideally, this funding source should take the form of direct taxing authority for the District, but we must be realistic in recognizing that politically this will be very difficult to accomplish.

As has been reported in the press, a measure (SB 101-Mills) has been introduced to transfer the Rapid Transit District's authority to build a rapid transit system to a new agency and to leave the Rapid Transit District to operate buses only. This issue is certainly separate and apart from the question of the Board structure and therefore it is our recommendation that the Rapid Transit District oppose legislation



to separate the rapid transit and bus system functions. One agency should be responsible for the construction and operation of the rapid transit and bus system; however, in the building of the rapid transit system, other public agencies naturally must play a major role and the District's past record shows our recognition of this fact in the cooperative approach our agency has taken in the development of our plans and proposals.

Directly related to the matter of the Rapid Transit District financing is the issue of diversion of SB 325 one-quarter cent sales tax funds to other cities. It has been suggested that attempts will be made to divert a portion of SB 325 funds which the Rapid Transit District and the present seven municipal bus operators receive to cities which have inaugurated transit service since 1971. As you may recall, the provisions of SB 325 prohibited municipal transit operators formed after 1971 from participating in the distribution of the transit development funds. We understand that there is growing sentiment among these new operators and other cities interested in starting transit systems to amend the law so that they might share in the SB 325 funds.

The Rapid Transit District has not opposed, rather we have assisted, cities which wish to provide new transit services with new sources of funds. However, if the quarter-cent sales tax funds are opened up to the new transit operators, we can anticipate that many cities with little or no transit experience will begin to experiment with their own bus system. Since the effect of such legislation would simply be to take money from the District and other present operators and give it to some one else, it is hard to see how this will improve transit. One thing is sure: it will cause further fragmentation of the transportation system in Los Angeles County. Such a course of action could significantly lessen the quality of public transportation in this area. For these reasons the staff recommends that the District oppose these efforts because it would further erode available funding to the District to operate the system and to qualify for matching funds at the federal level.

Along with the issue of funding we believe the District's legislative authority as the regional transit operator should be strengthened. In recent months the District has been thwarted in attempts to provide regional transit service in areas where our service area overlaps with the municipal operator. In this regard, we should seek the understanding and support of the League of Cities, the City and County of Los Angeles to grant the District the authority to serve the regional transit needs of the areas within our boundaries and to establish such services within the service areas of the municipal carriers if protection is provided the municipal carriers in the form of diversion payments by the District in cases where some passengers

are diverted by the municipal carrier to the Rapid Transit District. In spite of the justification and need for this change, we can expect vigorous opposition from the cities and perhaps others to any attempt to permit the District greater flexibility in providing needed regional service.

Another difficult legislative problem area concerns charter rights for the Rapid Transit District. For the last four years, and on other previous occasions, the District has unsuccessfully sought the right to charter its buses. Nearly every other major bus operator in this state except the Rapid Transit District has the privilege of chartering their buses. The right of charter would permit us to maximize the utilization of equipment and operators during the base periods and would generate badly needed revenues. It is recommended that we again pursue charter rights even though, as in the past, we can expect vigorous opposition from the private charter bus operators and the Teamsters union who represents the private carriers' operators.

In the area of bus system operational matters, we should seek to have legislation introduced to amend the Vehicle Code to permit the operations of the District's two double deck buses and the fleet of articulated buses we anticipate purchasing later this year. A temporary waiver has been obtained from CALTRANS to permit the operation of the double deck bus until such time as legislation can be adopted to change the Vehicle Code height standard. The double deck bus exceeds the current height standard by approximately six inches.

In addition to the double deck bus bill, the District needs and should urge legislation to permit weights in excess of 20,000 pounds on any axle of the articulated bus. The existing law permits heavier weight only on the rear axle. One final operational issue concerns legislation regarding the flasher lights installed on our buses as part of our passenger and operator safety program. A special permit was issued by the California Highway Patrol to permit us to use the flasher lights and we believe the success of this program warrants a permanent change to the Vehicle Code. We have reason to believe that these three items will be supported by the Department of Motor Vehicles and CALTRANS.

A change to the District law is needed to improve our purchasing procedures. The law now requires that for every purchase of \$3000 or more, the District must obtain formal bids. This limit established in 1964 has been eroded by inflation and makes the bidding process more costly and time consuming. It should be noted that a management audit conducted by Cresap, McCormick and Paget for the Senate Public Utilities,



February 12, 1975

Transit and Energy Committee recommended that the bidding dollar limit for BART be raised from \$3000 to \$10,000. We believe that a change to \$5000 is appropriate for the District and consistent with sound purchasing practices.

Perhaps one of the most hotly debated issues in Sacramento this session will be the question of collective bargaining for public employees and the right to strike. Major legislation has already been introduced which establishes a procedure which is in some ways similar to the District's existing fact finding procedure. The measure (SB 275-Dills) is the product of the Joint Committee on Public Employer-Employee Relations and is supported by the leadership of both houses. The bill creates a Public Employee Relations Board to administer the employer-employee relations law. SB 275 provides an impasse resolution procedure and, within the limitations in the bill, permits public employees to strike. As the bill is now written, all transit operators will be covered by the measure. The bill provides for what, in effect, is binding arbitration if the courts judge a strike to imminently imperil public health and safety. Whether a public transportation strike would fall into this definition is a question. If it did, the Rapid Transit District would have binding arbitration in that the court could direct acceptance of the fact finders' report; if not, the District would be just about where it is today if this proposed legislation passes. It is the staff's recommendation that we carefully monitor this bill, but not take a prominent position on it.

In the area of transit labor relations, we can expect legislation sponsored by the labor unions which may be viewed as a reaction to the 68-day strike. One bill has been introduced (AB 331-Lockyer) which prohibits public agencies from purchasing advertisements stating a management position regarding a labor dispute. It is believed that the District should oppose AB 331 and any other bills which restrict the District's rights to inform the public.

As we have previously reported to you, we will be working very closely with the various committees of the Legislature as we anticipate a substantial number of bills will be introduced regarding public transit. If there is no objection, the staff will pursue the general legislative program outlined above and will continue to keep the Board informed throughout the legislative session as developments occur.

Respectfully,

  
Jack R. Gilstrap

REMARKS BY  
THOMAS G. NEUSOM  
PRESIDENT, BOARD OF DIRECTORS  
SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
BEFORE THE  
CALIFORNIA LEGISLATURE  
ASSEMBLY COMMITTEE  
ON  
TRANSPORTATION  
FRIDAY, DECEMBER 13, 1974

\*\*\*\*\* (FINAL FOUR PAGES OF TESTIMONY) \*\*\*\*\*

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-- EQUITABLE DISTRIBUTION OF THE INCIDENCE OF  
SERVICE, BENEFITS, AND IMPACTS

EQUAL RECOGNITION HAS BEEN GIVEN TO NEEDS FOR BOTH LONG-  
DISTANCE AND COMMUNITY-LEVEL TRAVEL AND IN BOTH THE IMMEDIATE  
FUTURE AND THE LONGER RANGE.

THE DISTRICT RECOGNIZES THE NEED FOR A PROCESS OF CONTINUAL  
GOAL IDENTIFICATION AND DEFINITION IN ACCORDANCE WITH CHANGING  
COMMUNITY NEEDS AND DESIRES. THIS PROCESS IS IMPLIED IN THE  
ADOPTION OF THE TRANSIT DEVELOPMENT PROGRAM THIS PAST SUMMER. A  
CONTINUATION OF THIS EFFORT IS A PART OF THE DISTRICT'S ON-GOING  
SHORT AND LONG TERM PLANNING PROGRAM.

TIME DOES NOT PERMIT FURTHER AMPLIFICATION OF THE CARE  
AND THOROUGHNESS WHICH ARE MAJOR FACTORS IN THE PLANNING PROCESS  
AT THE DISTRICT. THAT THE ELECTORATE HAS FAILED TWICE WITHIN  
SIX YEARS TO FURTHER TAX THEMSELVES IN ORDER TO MAKE A START ON  
RAPID TRANSIT IS NOT A TRUE REFLECTION OF PUBLIC SENTIMENT. HAD  
THE REFERENDUM BEEN SIMPLY RAPID TRANSIT, YES OR NO, I CAN ASSURE  
YOU THE RESULT WOULD HAVE BEEN A LANDSLIDE OF YES VOTES. WHAT

HAPPENED ON NOVEMBER 5TH WAS NOT A REPUDIATION OF THE SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT. IT WAS A REJECTION OF YET ANOTHER LAYER OF TAXATION AT AN EXTREMELY TROUBLED TIME... WHEN BOTH ADDED TAXATION AND GOVERNMENT GROWTH ARE SIMPLY NOT POPULAR.

BUT WHEN AN ELECTION IS LOST, IT IS INEVITABLE THAT THE DOOMSAYERS AND DOWNSHOUTERS TAKE THE FIELD. RECIMINATION IS THE ORDER OF THE DAY. SOONER OR LATER THE CALL WILL COME: "THROW THE RASCALS OUT." - IN THIS CASE IT WAS SOONER.

LET ME SAY THIS. NO 11 HUMAN BEINGS, OR SEVEN, OR WHATEVER THE NUMBER, CAN BRING TO ULTIMATE FRUITION A PROGRAM IN WHICH THE MANDATES ARE CLEARLY STATED BUT FOR WHICH THE PRIME CONSIDERATION OF TAXING AUTHORITY IS EXPRESSLY FORBIDDEN.

YET WE BELIEVE THAT WE MUST MOVE AHEAD, AND WE MEAN TO DO SO. THE PLAN FOR TRANSIT IMPROVEMENTS ADOPTED BY THE BOARD OF DIRECTORS MUST BE IMPLEMENTED. THE NEED FOR PUBLIC TRANSPORTATION IN THE SOUTHLAND IS GREAT, AND NO ONE IN A POSITION OF RESPONSIBILITY IN OUR BUSINESS BELIEVES THAT THE NEED WILL DIMINISH.

ON THE CONTRARY, IN SPITE OF INFLATION AND THE SERIOUS ECONOMIC DOWNTURN, THERE IS NO QUESTION THE PUBLIC TRANSPORTATION IS A GROWTH INDUSTRY, THE SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT HAS ACTED, AND WILL CONTINUE TO ACT ACCORDINGLY.

GENTLEMEN, WE CAN USE ALL THE HELP WE CAN GET, IF THERE IS SOME NEW MAGIC IN REORGANIZATION WHICH WAS NOT AVAILABLE IN 1964 OR 1957 OR ANY OF THE OTHER YEARS WHEN IT WAS EASIER TO REORGANIZE STAFF THAN TO REORDER PRIORITIES AND GET ON WITH THE JOB, THEN SHARE THIS MAGIC WITH US.

I HESITATE TO OFFER PERSONAL RECOMMENDATIONS TO YOU. REORGANIZATION OF A STATE AGENCY IS OF NECESSITY POLITICALLY ORIENTED. I WOULD ASK THAT IN YOUR CONSIDERATIONS FOR CHANGE, YOU INCLUDE THE TOOLS WHICH ANY BOARD, ELECTED OR APPOINTED, MUST HAVE IN ORDER TO FUNCTION WITH ULTIMATE EFFECTIVENESS.

WITHOUT ATTEMPTING TO OVERSIMPLIFY, I WOULD SUBMIT THAT TAXING AUTHORITY COMBINED WITH REASONABLE FREEDOM FROM UNNECESSARY CONSTRAINTS SHOULD TOP THE LIST OF ANY LEGISLATION APPLIED TO THE SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT.



LOS ANGELES HAS WAITED 50 YEARS FOR ACTION ON RAPID TRANSIT. THAT SHOULD BE LONG ENOUGH.

AT THIS TIME, THE DISTRICT IS MOVING FORWARD AGGRESSIVELY TO IMPLEMENT THE BUS IMPROVEMENT ELEMENTS OF ITS LONG RANGE PLAN, CONCURRENTLY, A STARTER LINE FOR THE FIXED GUIDEWAY SYSTEM IS WITHIN REACH. ALTERNATIVE CANDIDATES ARE UNDER INTENSIVE STUDY. WHEN THE NATIONAL MASS TRANSPORTATION ASSISTANCE ACT WAS SIGNED INTO LAW RECENTLY, THE NECESSARY FEDERAL FUNDING WAS ASSURED, USING GASOLINE TAX REVENUES AS A LOCAL SHARE.

THANK YOU FOR YOUR ATTENTION.

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BACKGROUND MATERIAL REGARDING  
AB 1246 (INGALLS) AND RELATED ISSUES  
PRESENTED TO THE SCRTD BOARD OF  
DIRECTORS OVER THE PERIOD FROM  
NOVEMBER, 1974 TO MARCH, 1976.



**SOUTHERN CALIFORNIA  
RAPID TRANSIT DISTRICT**

425 SOUTH MAIN

LOS ANGELES, CALIFORNIA 90013

TELEPHONE (213) 972-6000

**JACK R. GILSTRAP**  
GENERAL MANAGER

March 5, 1976

TO: Board of Directors  
FROM: Jack R. Gilstrap  
SUBJECT: Assembly Bill 1246

Attached for your information is a copy of a letter regarding Assembly Bill 1246 addressed to the President of the Board from Assemblyman Walter M. Ingalls. Mr. Ingalls urges members of the Board to study the bill and to contact him or his consultant if you have any questions.

On Thursday afternoon Mr. Neusom was able to reach Mr. Ingalls and it is my understanding that the Assemblyman will appear at the Board Meeting on Tuesday, March 9th, to discuss the bill.

Respectfully,

  
Jack R. Gilstrap

Attachment

MEMBERS

VICTOR CALVO, VICE CHAIRMAN  
 RICHARD ALATORRE  
 MIKE ANTONOVICH  
 ROBERT E. BADHAM  
 WILLIE L. BROWN, JR.  
 BERT H. BURKE  
 FRED CHEL  
 LARRY CHINSOLE  
 JOHN L. E. COLLIER  
 WADIE DEDDEN  
 JOHN F. FORAN  
 FRANK LANTERMAN  
 FRANK VICENCIA  
 MICHAEL WORNUM

# California Legislature

## Assembly Committee on Transportation

ROOM 4016  
 STATE CAPITOL  
 SACRAMENTO, CALIFORNIA 95814  
 445-7278  
 AREA CODE 916

WALTER M. INGALLS  
 CHAIRMAN

March 3, 1976

STAFF

D. J. SMITH  
 PRINCIPAL CONSULTANT  
 WALTER J. QUINN  
 SENIOR CONSULTANT  
 V. JOHN WHITE  
 SENIOR CONSULTANT  
 ROBERT W. LUCAS  
 ASSOCIATE CONSULTANT  
 CHARLES T. SCHULTZ  
 COMMITTEE ANALYST  
 EARLENE ARNOLD  
 COMMITTEE SECRETARY

March 4 1976  
 SCRIP. SECURITY

Mr. Byron E. Cook, Chairman  
 Board of Directors  
 Southern California Rapid Transit  
 District  
 425 South Main  
 Los Angeles, California 90013

Dear Mr. Chairman:

Enclosed you will find copies of the latest amended version of AB 1246 for the Board's review. Yesterday in the Senate Public Utilities, Transit & Energy Committee it was clear from several of the Senate Committee members that your General Manager had lobbied to hold up consideration of AB 1246, coauthored by Assemblyman Frank Vicencia and me, on the basis that the District had not had time to fully consider new amendments to the bill. Although I do not personally feel that the District's position was appropriate because the basic elements of the bill had been known for several months, I concurred with the Committee in holding the bill in Committee. It will now be heard on Tuesday, March 16, 1976.

It is my firm conviction that AB 1246 is in the best interest of public transportation development in Southern California and indeed, would be in the District's best interest in the long run. I think that we can no longer put our heads in the sand relative to the need for improved community level transit and the subsequent proliferation of new operators in Los Angeles County. Mr. Chairman, as you know, we are under constant pressure to divert Transportation Development Act funds here in Sacramento

March 3, 1976

for new city transit systems. I do not feel such decisions should be made in Sacramento and while the District may feel that the present per-mile formula of allocation of Transportation Development Act funds is reasonable, very few state legislators concur.

Secondly, the Commissions have jurisdiction over Federal Aid Urban System funds as well as other state and federal highway and transit funds. It therefore has a much broader mandate than your District and thus does not necessarily duplicate the District important role in operating the great majority of transit service in Los Angeles County. Because of very limited funding from all sources, I believe it essential that "responsible local officials" as envisioned in the make-up of the County Transportation Commissions must come together to make tough resource allocation decisions between and within the mass transit and highway transportation modes. I also understand the Urban Mass Transportation Administration has also made it clear that the existing institutional chaos is unacceptable.

As was made clear by the Committee Chairman and myself to your General Manager at the Senate Committee hearing yesterday, we will expect to hear from the District regarding any suggested changes or concerns in writing by close of business Friday of this week. If the District has not communicated such language to me by the end of the week, it will be impossible for us to consider further amendments to the bill before the Senate Committee meets March 16th.

Finally, I would implore each Board member to study AB 1246 in some detail and to call on myself or Mr. D. J. Smith of my staff individually or as a group whenever you have unanswered questions or need further explanation. I am quite concerned that because of the vested interests of the District's staff relative to the new institution created by this legislation, you have not received a fair and objective analysis of this legislation in the past. We are simply developing a broad policy and programming institution not unlike the Metropolitan Transportation Commission in the Bay Area for Los Angeles County that can sort out and make sense out of the myriad of competing interests for very limited highway and transit funds in Los Angeles County. Mr. Chairman, I believe that our objectives are identical and after careful study of the broad implications of this bill, the Board will see the wisdom of our approach.

Sincerely yours,



WALTER M. INGALLS

WMI:ea

Enclosures

cc: Honorable Alfred E. Alquist, Chairman &

Members Senate Committee on Public Utilities Transit





**SOUTHERN CALIFORNIA  
RAPID TRANSIT DISTRICT**

425 SOUTH MAIN

LOS ANGELES, CALIFORNIA 90013

TELEPHONE (213) 972-6000

**JACK R. GILSTRAP**  
GENERAL MANAGER

March 3, 1976

**TO:** Board of Directors  
**FROM:** Jack R. Gilstrap  
**SUBJECT:** AB 1246 (Ingalls) RTD Reorganization Bill

In early 1975, when Assemblyman Ingalls introduced AB 1246, and several other reorganization bills were tossed into the hopper, primarily in response to our 68-day strike, your RTD Board instructed the staff to oppose any provision which would diminish the District's funding and the Board's range of legislative authority. However, the staff was also instructed specifically not to take a position one way or other on legislative provisions dealing with the composition of the RTD Board on the theory that this was a matter that ought to be left to the Legislature.

By the summer, most reorganization bills had died except AB 1246 which, through a series of amendments, had taken form to create a new Los Angeles County Commission which would essentially duplicate the RTD Board in composition and assume most of its authority, plus additional authority over fund allocation. We were able to kill AB 1246 on the Senate side, with the help of a number of other organizations which were in opposition at that time. A week or so later, however, the author was able to secure votes for committee reconsideration--the bill has been on the Senate Committee on Public Utilities, Transit and Energy agenda for such reconsideration since August of last year.

Yesterday AB 1246 was heard in the Senate Committee on Public Utilities, Transit and Energy. In line with your Board's instruction, the staff requested of the committee that the bill be held in committee 30-45 days to give the District additional time to study it and work with the author on possible amendments. We were successful in having the bill held in committee; however, the committee admonished the District to submit our requests to the author and the committee as soon as possible and be prepared to have the bill heard in committee at its next meeting on March 16.

Both the author and the committee made it clear in the hearing that they were not particularly pleased with what they consider to be RTD's procrastination in getting down to offering specific amendments to the author if we have things in mind. It is my judgment and that of our legislative advocate that we must act now if we are to sustain whatever sympathy we may have with the author and this Senate committee regarding accepting changes in AB 1246 we feel are important. The issue is now becoming one of legislative courtesy; in other words, there is little likelihood that the bill will be held up again on the strength of RTD's feeling we need to study it more before we'll know what amendments we want to offer.

Given this situation, it seems to me that the District has two fundamental alternatives: simply oppose the bill or offer amendments to try to correct the provisions which can have the most adverse impact on public transportation in our area.

In regard to alternative one -- oppose the bill -- RTD is the only opponent to AB 1246 which now is flatly opposed (not trying for specific changes), and which is working against the bill. Most of the agencies which had problems before and which worked hard against the bill have been mollified by the author through amendments to the bill. The City of Los Angeles, SCAG, League of California Cities (Los Angeles Division), etc., are supposed to be in opposition, but their positions are lukewarm lip service opposition at best now. The County has no position at all on the bill, while the Los Angeles City Mayor's office is actively in support of it. The author has worked very effectively to satisfy one opponent after another, e. g., Los Angeles County now appoints 5 of 11 members on the new commission instead of the original 3; the municipal bus operators are guaranteed their systems cannot be reduced without their approval, while RTD's may be cut back with or without the RTD Board's okay; while SCAG loses some authority, they get in return the first ever State legislative recognition of their agency, plus permanent funding of 1% of the SB 325 sales tax money which is about \$1.25 million per year (not a bad trade at all for SCAG and the Legislature since this money comes primarily out of RTD's operating funds); the City of Los Angeles gets 3 votes on the new commission instead of its present 2 on the RTD Board; the City of Long Beach is guaranteed 1 appointee to the new commission and, while the other cities in the County have only two appointments to the new commission (three if you count the one guaranteed to Long Beach), the cities' opposition is blunted rather effectively since the bill will divide up RTD's funds and service area among those cities which desire to go into and/or expand their bus systems in the county.

The upshot of all of this is that AB 1246 is probably going to pass whether we like it or not and in spite of RTD's opposition, so in flatly opposing the bill we forfeit whatever chance we may have to provide input to it.

As to the possibility of a veto, we would be surprised to see the Governor exercise this option as the Administration has not opposed the bill to this point. Caltrans has reservations about the bill but considers the bill to be primarily a local issue which would have little state-wide impact.

It is my recommendation, therefore, that we try to work with the author by offering him and the Legislature our best thought in the form of amendments to what we feel are the worst features of the bill and those features the author might be willing to change. Along these lines, I feel we cannot dissuade the author from his insistence on establishing a new commission in Los Angeles County with authority to allocate the transit funding in our County. Neither can we change his mind about assigning to this new commission the authority to give the rapid transit construction job to some agency other than RTD if it so chooses. As far as these basic features of the bill are concerned, I feel we should state our reservations, i. e., another level of bureaucracy, duplication of the RTD Board, delay in rapid transit effort in shift of responsibility, etc., but we should not continue to directly oppose this feature of the legislation because to do so is, in effect, to oppose the entire concept of the bill which would get us right back where we are now. Rather we ought to offer suggestions to make the new commission -- if it must be -- as effective as possible.

Attached for your consideration are the specific provisions of the bill I feel we should try to have changed along with a statement of why and suggestions as to how. Also attached is the latest version of AB 1246 and a copy of the Senate PUTE Committee's analysis of the bill (although prior to its latest amendments, many elements of this analysis are still pertinent). It is my recommendation that the Board adopt at its March 3 meeting these proposed changes as RTD's suggested amendments to AB 1246 and that the staff be authorized to present them to the author and the appropriate legislative committees and other key legislators and work to have as many as possible of them included in the bill.

AB 1246 (Ingalls)  
As Amended 2-2-76  
Gov't. Code, Public  
Util. Code, Streets &  
Highways Code  
Sen. P.U.T. & E. Comm.

Date of Hearing: 3-2-76

BACKGROUND

The serious transportation problems which exist in Southern California have been the subject of much study and legislation. There is some question on whether the large population concentrated in this area, much of which is "transit dependent," is being adequately and efficiently served by present policy and decision-making institutions.

There have been many attempts at solving these transit problems. Some attempts have involved creating new agencies, while others have involved changing present agencies.

DESCRIPTION

AB 1246, as amended 2-2-76, provides:

(1) That the Southern California Rapid Transit District be renamed the Los Angeles Regional Transit District.

(2) That there are created county transportation commissions in the counties of Los Angeles, Orange, Riverside and San Bernardino. The purpose of these commissions is to coordinate transportation service, to approve transit system planning, and approve all public mass transit projects.

These commissions would develop and approve a short-range transportation program for all capital and service planning. This would include development of a transportation improvement program, unified work program, selection of hardware, and the approval of all mass transit services. The commissions would also coordinate transit service and federal aid and state highway planning.

The commission may enter into agreements with Caltrans for the Dept. to provide services for the development and construction of any approved mass transit guideway system or rapid transit system.

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Composition of Commissions:

## I. L. A. County - 11 members.

- A. Each member of the Board of Supervisors or appointed alternates.
- B. Mayor of Los Angeles or appointed alternate.
- C. 2 members appointed by the Mayor of Los Angeles, with the consent of the City Council. No consent is necessary for an appointee who is a member of the City Council.
- D. 3 members appointed by the L.A. County City Selection Committee, excluding the member representing L. A. One of the appointees is to represent a city operating the largest municipal transit system.

## II. Orange County - 5 members.

- A. 2 members of the Board of Supervisors, one of whom shall serve on the Board of Directors of the Orange County Transit District.
- B. 2 members appointed by the Orange County City Selection Committee, one of whom shall serve on the Board of Directors of the Orange County Transit District.
- C. 1 member appointed by the other 4 commissioners. This appointee is to be a county resident and cannot be serving, or have served, as an elected official of a city within the county or as an elected official of the county within the last 10 years.

## III. Riverside County - 5 members.

- A. 2 members of the Board of Supervisors, one of whom is to represent a supervisorial district in the Coachella Valley area in the county.
- B. 2 members appointed by the Riverside County City Selection Committee.
- C. 1 member appointed by the other 4 members. This member is to be a county resident and cannot be an elected official of a city within the county or an elected official of the county.

## IV. San Bernardino County - 9 members.

- A. 1 member of the Board of Supervisors who represents a supervisorial district in the Los Angeles-Long Beach urbanized area.
- B. 1 member of the Board of Supervisors who represents a supervisorial district in the San Bernardino-Riverside urbanized area.
- C. 1 member of the Board of Supervisors who represents a district in the desert area of San Bernardino County.
- D. 2 members appointed by the City Selection Committee who are from cities of the Los Angeles-Long Beach urbanized area in San Bernardino County.
- E. 1 member appointed by the County City Selection Committee who is from a city in the San Bernardino-Riverside urbanized area of the county.
- F. 1 member appointed by the Mayor of the City of San Bernardino with the consent of the San Bernardino City Council.
- G. 2 members appointed by the other seven members who have a continuing and public interest-oriented concern for transportation in the county.

(3) AB 1246 also provides that the Southern California Association of Governments be the "multi-county designated transportation agency" responsible for long-range transportation system planning. The multi-county agency would, among other things, (a) identify travel corridors; (b) define land use goals; (c) recommend priority corridors for funding; (d) recommend environmental and socio-economic policies that should guide transportation in the corridor.

SCAG would coordinate the short-range plans and transportation improvement programs developed by commissions.

Other functions of the multi-county agency would be to administer local SB 325 funds for projects approved by the commission and to review in a timely manner all transportation improvement programs prior to their adoption by commissions. Up to 3% of available SB 325 funds are

made available for transportation planning and programming process. After deductions for administrative costs, up to 1% would be allocated to SCAG and the remaining 2% would be allocated to the commissions.

The bill permits the Los Angeles County Transportation Commission, at its discretion, to allocate SB 325 funds on a basis other than the current mileage formula.

#### COMMENTS

(1) This measure would change substantially the institutional and financial structure of transportation in Southern California. Proponents of this measure argue that there is, at present, a lack of coordination in Southern California of existing information related to mass transit which has resulted in the absence of firm transit policy decision-making on a regional basis. They argue that SCAG, because it is a voluntary organization, lacks the statutory authority to implement transit policy decisions. Proponents state that the creation of the commissions under the coordination of SCAG would create the kind of policy-making mechanism necessary to alleviate some of the present confusion in transit policy development.

(2) There is a concern that this bill would further fragment the administrative and planning responsibilities in the regions affected. The "transportation commission" concept is felt to add a new layer of government to the local transportation planning process without a corresponding assurance of an increase in efficiency. It is also felt that the money needed to support the administration of such commissions would be better spent on transit services.

(3) Section 13030(h) of the bill provides that conflicts regarding the coordination of plans and short-range transportation improvement programs shall be resolved in conformance with federal regulations. This appears to be inviting federal intervention which may not be desirable, as decisions might then be reached which are contrary to the intent of this measure (i.e., lodging near-term planning with SCAG rather than with the newly created commissions).

(4) The bill permits the Los Angeles Transit Commission to deviate, at its discretion, from allocating funds according to the presently used "mileage ratio formula" without providing guidelines for alternatives. This might open the door for a series of allocation regulations that would further complicate and confuse the funding process under SB 325.

(5) It is unclear in the bill why the Los Angeles Transit Commission is permitted to allocate 325 funds, yet SCAG is to administer the 325 funds for the other commissions.

(6) Another criticism of AB 1246 is that a separation based on geographic boundaries is artificial and decentralizing. Further, the role the multi-county agency (SCAG) is to play in the regional planning process is not well-defined. Although SCAG will be assigned the long-range planning functions, these appear limited to reviewing, recommending, and commenting.

(7) The main question here is will the commissions created by this legislation serve to consolidate and improve transit development or will they merely add to the present confusion?

(8) The author has indicated that substantial amendments to this bill are forthcoming. These changes will address the areas of the distribution of SB 325 funds in Los Angeles County, establishment of local transportation zones, and providing for regular meetings between SCAG, Caltrans and the local commissions to review transit policies.



POSITIONS

Oppose:

Southern California Association of Governments.  
SCRTD.  
L. A. Division of League of California Cities.

Proposed Amendment Concepts to AB 1246

Local Transportation Zones - The bill mandates the establishment of local transportation zones with independent governing boards. The definition of a local transportation zone is cities or unincorporated areas which contain an economic center or major trip generator with a large percentage of short and medium range transit trips (page 18, section 130257).

The concept of local transportation zones is untried and may upon closer study be viewed as destructive and contrary to sound transportation planning.

It is recommended that the Commission in its report to the Legislature in February, 1978, address the feasibility of establishing local transportation zones but that establishment of local transportation zones not be mandated at this time.

Labor Protective Agreement 13(c) - The bill is silent with respect to the responsibility for labor protective benefits under Section 13(c) of the UMTA Act.

This creates a situation whereby the transit operators without absolute control of matters of policy relating to the operation of their systems would be faced with the substantial financial burden of paying claims of its employees whose employment situation is worsened. The potential in AB 1246 with its implied intent of creating new operations gives rise to numerous opportunities for 13(c) claims against the transit operators.

It is recommended that the Commission assume financial responsibility for all 13(c) claims of the District's employees arising from a worsened job situation.

Bus System Planning and Operation - The bill provides that the commission shall coordinate the operation of all public transportation services and shall have a staff to analyze plans submitted by the regional and local transportation operators being responsible for interpreting these plans into a short range transportation improvement program (page 12, section 130056, page 16, section 130250).

This provision permits the commission to assume the established prerogatives and responsibilities of the District Board and the city councils of the various municipal operators, thus, further removing the decision making from the local level.

It is recommended that legislative intent specify that the Commission shall limit its activities to the resolution of conflicts between operators and to the allocation of funds. In addition it is recommended that the short range planning responsibility be retained by the District Board and the city councils of the various municipal operators and that these short range plans be submitted to the commission for its review and incorporation into a countrywide transportation improvement plan. The commission in turn will submit the countywide plan for inclusion in the statewide transportation plan or, in the case of any routes crossing county boundaries, will be submitted to the multi-county planning agency for their review and inclusion in the regional plan.

Federal Grants - The bill provides that any public entity under the jurisdiction of the commission may only apply for federal grants under condition prescribed by the commission (page 23, section 130304).

It appears that this language would give the commission indirect control over the amount of service to be provided because it would give the commission a veto of any application which fails to meet whatever conditions it chooses to impose. Requiring an operator to comply with whatever conditions the commission sees fit to levy would effectively remove from the operator the ability to exercise its own good judgment on what capital and operating projects are needed in order to function efficiently.

It is recommended that the District and municipal operators retain the authority to apply for federal grants with the county transportation commission having a review authority.

Competing Services - AB 1246 mandates that the commission shall insure that operators do not compete or duplicate services. Further, the bill provides that the commission shall not reduce funds received by municipal operators or their service areas without the expressed approval of the city concerned, (page 19, sections 130258, 130259).

The language in the bill in effect requires the commission to always rule in favor of municipal operators regarding the question of competing services.

It is our recommendation that the commission, upon petition of an affected carrier, be empowered to examine the situation and make a finding. Upon finding that continued competition is detrimental to the public interest, the commission may order one or the other lines, but not necessarily the regional operator, to cease competitive operations. Failure to comply would give the commission authority to disproportionately reduce the offending carrier's SB 325 revenues.

Proliferation of Operators - The bill encourages the proliferation of small inefficient transit operations to provide local transit service (page 18, section 130257 (d)).

The language in the bill is likely to induce the creation of more carriers, thus diminishing the quality of transit service provided by requiring more transfers and increasing fragmentation of the transportation system. In addition, such proliferation would tend to diffuse responsibility. This is contrary to the previously expressed intention of the Legislature to create a single transit operator which could provide unified and coordinated service to the area and be directly responsive to the needs of all communities.

It is our recommendation that the proliferation of purely local transit service is contrary to the efficient utilization of resources and the establishment of an effective public transportation system.

Transportation Planning - The bill provides that up to 3% of the SB 325 funds allocated to the region be set aside for transportation planning, (page 5, section 99233(c)).

This amount when coupled with federal matching monies far exceeds the funds now being set aside for transportation planning and is beyond the amount for which there is a demonstrated need.

It is recommended that the bill be amended to provide that up to 1% of the SB 325 funds be allocated for transportation planning under the control of the commission. The commission in turn would fund the multi-county designated transportation planning agency at the level the commission deems appropriate.



Mileage Formula - The bill provides that the commission may allocate the SB 325 funds in accordance with the existing mileage formula established in the Mills-Alquist-Deddeh Act, or by some new method to be devised or developed by the commission (page 7, section 99285.2).

The District Board has established many new services to meet the transportation needs of the community in anticipation of the receipt of funds allocated on the existing mileage formula.

It is recommended that the existing mileage formula should be retained and that the commission should have complete authority to allocate any new funds to transit operators in its discretion.

Rapid Transit Guideway Operator - The bill provides that the commission shall designate the Rapid Transit District as operator of rail rapid transit in Los Angeles County unless a two-county guideway system is proposed in which case a new joint powers agency would be formed (page 17, section 1302545).

The designation of the District as the operator of the rail transit system recognizes the expertise and experience of the regional operator and enhances the opportunity for success by reducing the coordination problems between the regional rail and bus operator.

In our opinion the Rapid Transit District should be designated as the rapid rail transit operator in Los Angeles County.

RTD Representation - In Los Angeles County the bill provides that the commission shall be composed of 11 members, 5 appointed by the Board of Supervisors, one by the Mayor of the City of Los Angeles, two additional appointees by the Mayor with the consent of the City Council, and three members appointed by the City Selection Committee excluding the City of Los Angeles. One of the three appointed by the City Selection Committee shall be a representative from the city operating the largest municipal transit system, (page 9, section 130051).

The operator providing over 80% of the public transportation within the county is excluded from participation on the commission.

It is recommended that the commission be expanded to 13 members, including two from the Board of Directors of the regional transit operator to be appointed by the President of the Board of Directors.

Taxing Authority - The bill fails to provide any new funding source for the commission to adequately deal with the financial problems confronting operators within the county.

The omission of a new funding source ignores the most basic problem confronting transit operators within the county. A new source of money to fund unmet transit needs and rapidly escalating operating costs is essential if the commission is to be effective.

It is recommended that a new source of funds be identified. One of the most promising sources is the motor vehicle license fee (in lieu tax). It is recommended that the in lieu tax rate currently set at 2% of the market value of each registered vehicle be increased to 3% with the 1% increase being earmarked for public transportation purposes.

SCRTD Name Change - The bill provides that any reference in the law to the Southern California Rapid Transit District shall be deemed to refer to the Los Angeles Regional Transit District, (page 4, section 30004).

This would bring about a costly and unnecessary expenditure of public funds, particularly with respect to repainting 2500 buses plus some 25,000 bus stop signs and signings throughout the District.

It would be our recommendation that the name of the Southern California Rapid Transit District be retained.

Minutes of Executive Session of the Board  
of Directors - February 26, 1976

The Board of Directors adjourned into Executive Session at 4:15 p.m.

Directors Cook, Neusom, Price, Takei, Gibbs, Richter, Gregory, Holen and Brewster were present along with staff members Gilstrap, Powers, Wilkens, Foster and McDonald.

Mr. Gilstrap gave a report on status of AB 1246. Director Holen explained the content of AB 1246, and suggested the District try to delay the bill so that it can be studied with a view toward offering amendatory language. Mr. Gilstrap explained that the bill has been outstanding since last August and it may not be possible to delay it; also said if we intend to work with the author, we should let him know. It should be conveyed to the Legislature that we need 30-45 days to review this and work with the author for a change in language.

Mr. Neusom reported that a meeting was scheduled for 9:30 a.m., Tuesday, March 2, 1976 in Chicago with Mr. Fasser and the Union attorneys.

Adjournment: 5:00 p.m.

ASSEMBLY COMMITTEE ON TRANSPORTATION

CALIFORNIA LEGISLATURE

-REMARKS BY-

JACK R. GILSTRAP  
GENERAL MANAGER, SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

DECEMBER 5, 1975



MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, LADIES  
AND GENTLEMEN:

MY NAME IS JACK GILSTRAP AND I AM GENERAL MANAGER  
OF THE SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT.

I APPRECIATE THE OPPORTUNITY TO PROVIDE TESTIMONY  
CONCERNING THE FUTURE OF STATE TRANSPORTATION FINANCING,  
WITH EMPHASIS ON THE RTD PROGRAM AND THE DISTRICT'S  
FINANCIAL NEEDS.

AS YOU KNOW, THE RTD IS THE LARGEST TRANSIT  
OPERATOR IN CALIFORNIA. MORE THAN ONE-THIRD OF THE  
STATE'S POPULATION IS SITUATED IN OUR SERVICE AREA.  
THE DISTRICT, THEREFORE, RECOGNIZES AND ACCEPTS ITS  
RESPONSIBILITY TO CARRY THE MAIN THRUST PRESENTING  
AN OVERVIEW OF THE FINANCIAL OUTLOOK FOR PUBLIC TRANS-  
PORTATION.

WITHIN THE PAST DECADE, SOCIAL AND ENVIRONMENTAL  
CONCERNS HAVE CAUSED COMMUNITIES THROUGHOUT THE NATION  
TO EVALUATE THEIR SITUATIONS AND FORMULATE GOALS FOR

THE FUTURE. IN THE MATTER OF MOBILITY FOR THE GENERAL PUBLIC, THIS QUESTIONING AND CHALLENGING OF THE STATUS QUO DISCLOSED ON THE ONE HAND AN EXTREME CONCENTRATION ON PROMOTING THE USE OF THE PRIVATE AUTOMOBILE, AND ON THE OTHER A PUBLIC TRANSPORTATION SERVICE WEAKENED THROUGH YEARS OF NEGLECT.

TWO SIGNIFICANT DEFECTS OF SOLE RELIANCE ON THE AUTOMOBILE BECAME APPARENT. FIRST, A SUBSTANTIAL SEGMENT OF THE POPULATION COULD NOT SATISFY THEIR BASIC MOBILITY NEEDS BY USE OF THE AUTOMOBILE BECAUSE OF AGE, INFIRMITY OR FINANCIAL HARDSHIP.

IN THE LOS ANGELES AREA, SOME 15% OF OUR CITIZENS ARE EITHER TOO YOUNG, TOO OLD, OR TOO POOR TO DRIVE AN AUTOMOBILE. THAT IS MORE THAN ONE MILLION PEOPLE. FOR THIS SEGMENT OF OUR POPULACE, NO PROGRAM OF STREET AND HIGHWAY CONSTRUCTION HAS ANY MEANING UNLESS THERE IS AN ACCEPTABLE LEVEL OF PUBLIC TRANSIT TO PROVIDE WHAT FOR OTHERS MAY BE AN ALTERNATIVE, BUT FOR THE TRANSIT DEPENDENT IS A NECESSITY. SECOND, AVOIDABLE USE OF THE AUTOMOBILE, PARTICULARLY IN METROPOLITAN AREAS, WAS WASTEFUL OF LIMITED RESOURCES OF LAND, AIR AND ENERGY. THESE INSIGHTS HAVE LED TO PUBLIC POLICY TO SUPPORT PUBLIC TRANSIT AS AN ESSENTIAL ALTERNATIVE.

WE REGRET THAT THE STATE HIGHWAY COMMISSION, IN A STATEMENT TO THIS COMMITTEE, STIPULATES THAT "PUBLIC TRANSPORTATION HAS BEEN PROJECTED AS THE SOLUTION TO ALL TRANSPORTATION PROBLEMS." THIS IS NOT OUR PHILOSOPHY AT THE RTD, AND IT NEVER HAS BEEN. WE ACCEPT THE FACT THAT PUBLIC TRANSIT WILL CARRY ONLY A MODEST PORTION OF THE TOTAL TRIPS MADE DAILY IN OUR COMMUNITY, BARRING A CATASTROPHIC DISRUPTION OF THE NATION'S LIFESTYLE. BUT WE SUBMIT THAT THE CONTRIBUTIONS OF PUBLIC TRANSIT ARE VITAL TO THE ECONOMY. WE MOST ASSUREDLY AGREE WITH THE OBSERVATION EARLIER THIS WEEK BY LOS ANGELES COUNTY SUPERVISOR JAMES HAYES, THAT TRANSPORTATION IS NOT A SPECIAL INTEREST ANY MORE THAN IS THE AIR WE BREATHE.

DURING THE PAST SEVERAL YEARS, MAJOR PROGRESS HAS BEEN MADE BY THE DISTRICT TOWARD ACHIEVEMENT OF ITS GOAL TO IMPROVE PUBLIC TRANSIT. THE REASON CAN BE EXPLAINED IN A NUMBER OF WAYS, BUT MOST EASILY IN ONE WORD: MONEY. THE CALIFORNIA LEGISLATURE CAN TAKE PRIDE IN BEING THE PRIME MOVER IN THIS AREA. SENATE BILL 325 WAS THE BREAKTHROUGH WHICH ENABLED THE DISTRICT, AS WELL AS TRANSIT PROPERTIES THROUGHOUT THE STATE, TO

BEGIN THE LONG-AWAITED TURNAROUND WHICH HAS LED TO A RE-BIRTH OF PUBLIC TRANSPORTATION. WERE IT NOT FOR SB 325, THE SCRTO MIGHT HAVE BECOME A THING OF THE PAST, ALONG WITH THE MTA AND COUNTLESS OTHER TRANSIT ORGANIZATIONS WHICH COULD NOT SURVIVE ALONE IN AN UNEVEN COMPETITION WITH THE PRIVATE AUTOMOBILE.

ADDITIONALLY, IN THE LAST TWO YEARS THE DISTRICT HAS RECEIVED FINANCIAL SUPPORT FROM THE COUNTY OF LOS ANGELES. DURING A 30-MONTH PERIOD, THE COUNTY HAS BUDGETED SOME \$56 MILLION TO IMPROVE SERVICE, MOST NOTICEABLY WITH BUS GRIDS IN THE SAN FERNANDO VALLEY AND SOUTH CENTRAL LOS ANGELES DURING FISCAL YEAR 1975, AND MAJOR SERVICE IMPROVEMENTS IN EAST LOS ANGELES, THE MID-CITIES REGION, AND THE SAN GABRIEL VALLEY DURING THE PRESENT FISCAL YEAR. THE COUNTY SUBSIDY ALSO ENABLED THE DISTRICT TO REDUCE ITS BASE FARE TO 25 CENTS, AND TO REPLACE AN ARCHAIC SYSTEM OF 206 ZONES WITH A SIMPLIFIED SYSTEM OF BUT THREE. BECAUSE OF A PROLONGED WORK STOPPAGE IN 1974, THE DISTRICT LOST FOREVER SOME \$5 MILLION OF THIS SUBSIDY.



THE FEDERAL GOVERNMENT HAS LIKEWISE RECOGNIZED THE IMPORTANCE OF PUBLIC TRANSIT AND HAS PROVIDED THE MAJOR PORTION OF CAPITAL IMPROVEMENTS, LARGELY IN THE ACQUISITION OF ROLLING STOCK, AS WELL AS FUNDING IN LARGE PART THE HIGHLY SUCCESSFUL EL MONTE-LOS ANGELES EXCLUSIVE BUSWAY.

THIS FINANCIAL SUPPORT HAS GIVEN US THE WHEREWITHAL TO PROVIDE A 40% GROWTH IN SERVICES. IN ORDER TO ACHIEVE THIS GROWTH RATE, WE HAVE INCREASED OUR BUS FLEET BY 25% AND OUR WORK FORCE BY A COMPARABLE NUMBER. OUR PATRONAGE HAS GROWN TO A POINT WHERE WE CARRY NEARLY A MILLION RIDERS IN AN AVERAGE WEEK DAY. THERE ARE MORE THAN 25,000 BUS STOPS ON SOME 3800 MILES OF STREETS AND FREEWAYS IN THE SERVICE AREA. THE EL MONTE BUSWAY ALONE CARRIES SOME 14,000 RIDERS DAILY, AND OUR COUNTY-WIDE PARK AND RIDE PROGRAM HAS REMOVED MORE THAN 2000 VEHICLES DAILY FROM OUR OVERCROWDED FREEWAYS.

WHILE THIS GROWTH HAS GIVEN US GREAT SATISFACTION, IT HAS ALSO GIVEN US CAUSE FOR CONCERN WITH RESPECT TO THE FUTURE.

WHERE WILL WE BE TWO YEARS FROM NOW, FINANCIALLY?  
WHERE WILL WE BE THREE, FOUR AND FIVE YEARS FROM NOW?

RECOGNIZING THAT AN ADVANCE INSIGHT INTO OUR FINANCIAL REQUIREMENTS WAS NEEDED FOR AT LEAST A FIVE-YEAR PERIOD, DISTRICT STAFF PROJECTED OUR OPERATING, FINANCIAL, AND CAPITAL IMPROVEMENT NEEDS THROUGH FISCAL YEAR 1981. THESE PROJECTIONS HAVE BEEN PRESENTED TO OUR BOARD OF DIRECTORS, WHICH HAS THEM UNDER CONSIDERATION, ALTHOUGH NONE HAS BEEN FORMALLY ADOPTED. THE NUMBERS, AS YOU MAY WELL IMAGINE, GIVE PAUSE FOR THOUGHT. WE HAVE BEEN ABLE TO IDENTIFY SEVERAL REASONS WHY THIS IS SO.

1. A DETERIORATING FLEET. RAPID EXPANSION OF SERVICE, COUPLED WITH A THOUGHTFUL, IF DIFFICULT, DECISION TO PURCHASE NO NEW BUSES NOT FULLY ACCESSIBLE TO THE ELDERLY AND HANDICAPPED, HAS PRODUCED A FLEET MUCH OLDER THAN IS PRACTICAL TO MAINTAIN. THE DISTRICT IS PRESENTLY TAKING DELIVERY ON THE LAST 100 NEW BUSES ORDERED BEFORE THE ADOPTION OF THE ACCESSIBLE BUS RESOLUTION. WHILE 400 NEW FULL-SIZE BUSES HAVE BEEN ACQUIRED IN THE PAST YEAR, MORE THAN 130 PIECES OF USED EQUIPMENT FROM OPERATORS IN OTHER CITIES HAD TO BE PURCHASED TO IMPLEMENT SCHEDULED SERVICE IMPROVEMENTS.

DURING THE PAST TWO YEARS, NOT A SINGLE BUS, INCLUDING MORE THAN 200 WITH A MILLION MILES OR MORE OF WEAR, HAS BEEN RETIRED FROM SERVICE BECAUSE OF AGE.

WHILE THE PRESENT AVERAGE AGE OF THE FLEET OF ROUGHLY NINE YEARS IS COMPARABLE TO THAT OF OTHER MAJOR PROPERTIES IN THE NATION, THE ADVERSE IMPACT OF THE DISTRICT'S SELF-IMPOSED INABILITY TO BUY ANY NEW BUSES FOR THE NEXT 24 TO 36 MONTHS WILL SHARPLY REDUCE THE OVER-ALL FLEET EFFICIENCY.

WITH RESPECT TO THE PRESENT STATUS OF OTHER TRANSIT OPERATORS, IT IS OF INTEREST TO NOTE THAT PHILADELPHIA PRESENTLY HAS 350 BUSES ON ORDER, THAT CHICAGO HAD ORDERED MORE THAN 1000 BUSES TO BE DELIVERED OVER A TWO-YEAR PERIOD, THAT HOUSTON WILL TAKE DELIVERY OF 351 NEW BUSES DURING THE SAME TIME, AND THAT ST. LOUIS HAS PLACED ORDERS FOR 640 BUSES TO BE DELIVERED BETWEEN NOW AND 1979.

2. OBSOLETE FACILITIES. ONLY THE MOST AGGRESSIVE PREVENTIVE MAINTENANCE PROGRAM CAN KEEP THIS DETERIORATING FLEET IN SERVICE. YET OUR FACILITIES DATE BACK TO THE TURN OF THE CENTURY, AND MOST ARE TOTALLY INADEQUATE TO SUSTAIN SUCH A PROGRAM FOR A PROTRACTED PERIOD. THE RIDING PUBLIC IS LARGELY UNAWARE OF THE COMPLEX OPERATION WHICH KEEPS THE FLEET ROLLING. THIS SAME PUBLIC WILL SURELY SUFFER, IF, FOR LACK OF THE PROPER TOOLS, THE FLEET CHALKS UP TOO MANY MISSOUTS.
3. DECREASING FINANCIAL SUPPORT FROM THE RIDER. RELATIVE TO OTHER COSTS OF LIVING, THE PRICE OF PUBLIC TRANSIT HAS DECLINED SHARPLY. SINCE 1968, THE LAST YEAR IN WHICH THE DISTRICT OPERATED SOLELY FROM FAREBOX REVENUES, THE COST OF LIVING HAS INCREASED MORE THAN 60%. YET OUR BASE FARE HAS ACTUALLY DECLINED 20%.

THIS RAISES A COMPLEX ISSUE... THAT OF ESTABLISHING AN EQUITABLE FARE STRUCTURE. THE CONCLUSION SEEMS INESCAPABLE THAT THE TAXPAYING PUBLIC WILL LOOK TO THE RIDER TO PAY A GREATER SHARE OF THE



COST OF SERVICE. THIS ISSUE IS FURTHER COMPLICATED BY THE FACT THAT BOTH TRADITION AND GOVERNMENTAL STATUTES OBLIGE THE DISTRICT TO PROVIDE REDUCED FARES FOR THE ELDERLY, THE HANDICAPPED, AND STUDENTS. THESE FARE CONCESSIONS ARE APPLIED TO AN EVER INCREASING PORTION OF OUR PATRONAGE AS MORE AND MORE OF THESE INDIVIDUALS RESPOND TO THE REDUCED FARES BY RIDING THE SYSTEM, CREATING AN ADDITIONAL COST BURDEN ON BOTH THE REGULAR RIDER AND THE TAXPAYER WHO SUPPORTS THE SERVICE WITH SUBSIDIES. HAVING CONSIDERED THESE FACTORS, STAFF IS PROPOSING TO OUR BOARD THAT A TEN-CENT INCREASE IN THE BASE FARE IS APPROPRIATE IN THE COMING FISCAL YEAR.

IN STUDYING THESE CONSIDERATIONS, THE DISTRICT FINDS ITSELF IN AGREEMENT WITH THE BASIC PREMISE OF YOUR COMMITTEE AS STATED IN THE PROSPECTUS DISTRIBUTED TO THOSE OF US WHO WERE INVITED TO SPEAK BEFORE YOU:

1. JUST TO MAINTAIN THE EXISTING LEVEL OF TRANSIT SERVICE WILL REQUIRE ADDITIONAL FUNDING IN THE NEXT TWO YEARS.

2. IF TRANSIT SERVICE IS TO BE IMPROVED, AS PLANNED BY MANY COMMUNITIES, INCLUDING, HOPEFULLY, LOS ANGELES, EVEN LARGER AMOUNTS OF STATE AND LOCAL FUNDING WILL BE REQUIRED.

A PERFECTLY LOGICAL QUESTION AT THIS POINT IS HOW, IN JUST FIVE YEARS, HAS THE RTD GONE FROM A SELF-SUPPORTING AGENCY TO ONE WHICH REQUIRES TWO-THIRDS OF ITS SUPPORT FROM THE TAXPAYER?

THERE ARE FOUR ANSWERS:

1. RAMPANT, RUNAWAY INFLATION WHICH HAS SEEN THE COST OF LIVING RISE 50% IN FIVE YEARS.

2. AS A LABOR INTENSIVE INDUSTRY, WITH SOME 85% OF ITS BUDGET ALLOCATED TO THE COST OF SUSTAINING ITS WORK FORCE, THE DISTRICT HAS FELT AN ABNORMALLY HEAVY IMPACT FROM LABOR CONTRACTS WHICH HAVE BEEN NEGOTIATED

UNDER, AND SOMETIMES DURING, THE DURESS OF A WORK STOPPAGE.

3. REDUCED FARES TO HALT THE DOWNWARD TREND IN RIDERSHIP AND MAKE THE SERVICE MORE ATTRACTIVE TO THE OPTIONAL RIDER.

4. VASTLY IMPROVED SERVICES IN BOTH LOCAL AND COMMUTER AREAS.

NOW TO THE NUMBERS. KEYING ON THE TWO APPROACHES JUST STATED, THE DISTRICT HAS PROJECTED TWO CASES ASSOCIATED WITH ITS FIVE-YEAR FINANCIAL PLAN.

IN ONE OF THESE, A MINIMUM EXPANSION PLAN, A SHORTFALL OF \$29 MILLION IS FORESEEN BY FISCAL YEAR 1978. BY FISCAL YEAR 1981, THE DEFICIT HAS INCREASED TO \$90 MILLION. NOT COUNTING A PROJECTED ALLOCATION OF \$17.8 MILLION IN FEDERAL REVENUE SHARING FUNDS FROM LOS ANGELES COUNTY IN FISCAL YEAR 1977, THE AGGREGATE DEFICIT FOR THE FIVE-YEAR PERIOD IS \$240 MILLION. AND I POINT OUT AGAIN THAT THIS IS A PROJECTION WHICH ALLOWS FOR ONLY A MINIMUM OF GROWTH WITH NO NEW SERVICES.

A PROGRAM WHICH IS ORIENTED TO DESIRABLE SERVICE PRODUCES A DEFICIT WHICH RISES FROM \$39 MILLION IN FISCAL YEAR 1978 TO \$133 MILLION IN FISCAL YEAR 1981. IN THIS CASE, SETTING ASIDE THE COUNTY'S ANTICIPATED SUBSIDY OF \$21.4 MILLION IN FISCAL YEAR 1977, THE FIVE-YEAR ACCUMULATED REQUIREMENT FOR ADDITIONAL FUNDING COMES TO \$349 MILLION.

YOU MAY RIGHTFULLY ASK WHAT THIS MONEY WILL BUY. I WOULD LIKE TO TELL YOU THAT \$349 MILLION WOULD MAKE POSSIBLE A QUANTUM JUMP IN PUBLIC TRANSIT FOR LOS ANGELES. THIS IS NOT THE CASE. THIS MONEY WILL ENABLE THREE THINGS TO HAPPEN.

1. WE WILL BE ABLE TO ~~MAINTAIN AND~~ PARTIALLY MODERNIZE THE THIRD LARGEST BUS FLEET IN THE UNITED STATES. I SAY PARTIALLY MODERNIZE BECAUSE EVEN THIS PROGRAM WILL ONLY ENSURE THAT NO BUS IN THE RTD FLEET WILL BE OLDER THAN FIFTEEN YEARS.

2. WE WILL BE ABLE TO UPGRADE THE PHYSICAL PLANT WHICH SUPPORTS THE FLEET.

3. WE WILL BE ABLE TO COMPLETE A MASSIVE EXPANSION OF LOCAL SERVICE THROUGHOUT THE 2280 SQUARE MILES SERVED BY THE RTD. WITH THE EXPERIENCE OF THE EXCLUSIVE LANE



EL MONTE BUSWAY AND PREFERENTIAL LANES ON THE SANTA MONICA FREEWAY, A REGION-WIDE PROGRAM OF EXPEDITED COMMUTER SERVICE WILL BE IMPLEMENTED IN COOPERATION WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION. CERTAINLY NO PROGRAM HOLDS GREATER PROMISE FOR MORE EFFECTIVE UTILIZATION OF OUR PRESENT FREEWAY SYSTEM THAN THE NEAR-TERM PLAN FOR PREFERENTIAL TREATMENT OF HIGH-OCCUPANCY VEHICLES IN SPECIAL LANES.

THIS MONEY WILL ALSO SUPPORT THE VITAL DOWNTOWN COLLECTOR AND DISTRIBUTION SYSTEM FOR THE UPCOMING COMMUTER RAIL PROGRAM IN LOS ANGELES, ORANGE, AND SAN DIEGO COUNTIES. THE DISTRICT IS SETTING ASIDE A NUMBER OF BUSES FOR THIS PROGRAM.

AS A CONSENSUS DRAWS NEAR ON A RAPID TRANSIT STARTER LINE IN THE COMMUNITY, IT IS BECOMING APPARENT THAT WITHIN FIVE YEARS, FIXED GUIDEWAY RAPID TRANSIT MAY BECOME A REALITY. OUR BUS PLANS HAVE TAKEN THIS FACTOR INTO CONSIDERATION. IN THOSE AREAS INITIALLY SERVED BY RAPID TRANSIT, LOCAL BUS SERVICE WILL CONVERT READILY TO CIRCULATION LINES, MULTIPLYING THE VALUE AND IMPACT OF THE RAPID TRANSIT SERVICE ITSELF.

WHAT WE SEE AS THE MAJOR BENEFIT OF THIS EXPENDITURE IS FINAL EMERGENCE OF A TRUE MULTI-MODAL TRANSPORTATION SYSTEM FOR LOS ANGELES, ONE WHICH COMPARES WELL WITH THOSE NOW IN EXISTENCE IN THE MAJORITY OF THE WORLD'S OTHER GREAT CITIES.

IN THIS AGE, NO MODERN CITY IS BUILT CHEAPLY. WE ARE DEALING WITH URBAN SPRAWL, AND THERE IS NO WAY TO DEAL WITH IT EXCEPT ON ITS OWN TERMS.

WE HAVE DEALT WITH SOME OF THE NUMBERS. NOW LET US EXPLORE SOME OF THE SOLUTIONS TO THE REQUIREMENT FOR NEW FUNDING WHICH SEEM APPROPRIATE AT THE STATE LEVEL.

LET ME INTERJECT AT THIS POINT THAT I FEEL SOMEWHAT LIKE THE YOUNG MAN WHO WAS CALLED IN BY HIS FATHER, TOLD OF HIS NEW RESPONSIBILITIES, AND THEN DISPATCHED INTO THE WORLD TO DO GOOD THINGS. THE PROBLEM ARISES, OF COURSE, WHEN THESE GOOD THINGS MUST BE PAID FOR AND THE REALIZATION COMES THAT OLD DAD DIDN'T COUGH UP A CREDIT CARD WITH WHICH TO BUY THEM.

THE SCRTD, IF ITS ORIGINAL CHARTER HAD INCLUDED DIRECT TAXING AUTHORITY, WOULD NOT BE IN THE POSITION IT IS TODAY. SINCE THE STATE HAS WITHHELD THIS AUTHORITY, IT MUST FACE THE RESPONSIBILITY OF LEGISLATING THE NEW FUNDING OF SOURCES REQUIRED TO SUPPORT ITS OFFSPRING.

HERE ARE A FEW RATIONAL APPROACHES TO THIS DILEMMA.

A CERTAIN PORTION MUST FALL TO THE DISTRICT AS ITS RESPONSIBILITY. WHILE WE HAVE ALWAYS WORKED TOWARD OPERATING EFFICIENCY, OUR EFFORTS IN THIS CRITICAL AREA ARE BEING INTENSIFIED. A RECENTLY IMPLEMENTED SERVICE ANALYSIS PROGRAM PROVIDES CONSTANT VISIBILITY TO STAFF MANAGEMENT AND OUR BOARD WHICH ALLOWS FOR TIMELY SERVICE ADJUSTMENTS TO AFFECT ECONOMIES IN OPERATIONS.

A SECOND ASPECT DEALS WITH OUR INABILITY TO CONDUCT OUR LABOR NEGOTIATIONS IN PUBLIC AND UNDER THE SCRUTINY OF THE TAXPAYERS WHO MUST PAY FOR SUBSTANTIAL PORTIONS OF THE COST OF THESE CONTRACTS. THE DISTRICT THEREFORE SUPPORTS SUCH LEGISLATION AS ASSEMBLY BILL 1723, WHICH WOULD PROVIDE FOR OPEN NEGOTIATION OF LABOR RELATED ISSUES. IT IS OBVIOUS THAT THE CURRENT SYSTEM IS LESS

THAN SUCCESSFUL WHEN WE REALIZE THAT DURING A 16-MONTH PERIOD OF THE CURRENT DECADE MAJOR TRANSIT PROPERTIES IN TWO MAJOR METROPOLITAN AREAS IN THIS STATE WERE FACED WITH 159 DAYS OF TRANSIT WORK STOPPAGES.

THIRD, WE MUST PROTECT THE INTEGRITY OF PRESENT FUNDING SOURCES, MOST PARTICULARLY THAT WHICH FLOWS TO EXISTING PROPERTIES THROUGH SB 325. LEGISLATION IS NOW PENDING BEFORE YOUR BODY WHICH WOULD OPEN THIS LIMITED SOURCE OF FUNDS TO NEW TRANSIT OPERATORS. THIS DIFFUSION OF FUNDS WOULD BE MOST HARMFUL TO REGIONAL OPERATORS SUCH AS THE RTD.

ALTHOUGH SOME STATES ARE REPORTEDLY ALLOCATING GENERAL FUND REVENUES FOR TRANSIT, IT IS SUGGESTED THAT CONSIDERATION BE GIVEN BY THE LEGISLATURE TO A PROGRAM WHICH WILL IDENTIFY AND UTILIZE APPROPRIATE SOURCES OF NEW REVENUE FOR SPECIFIC ALLOCATION TO TRANSIT SUPPORT AND DEVELOPMENT. THERE ARE SEVERAL SOURCES WHICH I SUGGEST FOR CONSIDERATION.



THE MOTOR VEHICLE LICENSE FEE OR IN LIEU TAX IS LEVIED ON MOTOR VEHICLES AT A RATE OF 2% OF MARKET VALUE. THE RATE WAS LAST ADJUSTED IN 1948, WHEN IT WAS RAISED FROM 1-3/4% TO 2%. THE TAX RATE LEVIED ON OTHER PROPERTY SUBJECT TO ADVALOREM TAX HAS RISEN TO APPROXIMATELY 3% OF MARKET VALUE (THE EQUIVALENT OF A "TAX RATE" OF \$12 PER \$100 OF ASSESSED VALUE). AN INCREASE IN THE LICENSE FEE TO 3% WOULD APPEAR TO BE EQUITABLE, WITH THE PROCEEDS OF 1% OR SOME \$50 MILLION IN LOS ANGELES COUNTY ALLOCATED TO SUPPORT OF TRANSIT OPERATIONS.

AN INCREASE IN THE TAX ON GASOLINE TO PROVIDE TRANSIT OPERATING FUNDS WOULD BE CONSISTENT WITH PUBLIC POLICY WITH RESPECT TO THE CONSERVATION OF LIMITED SUPPLIES OF FUEL. A RECENT REPORT BY THE FEDERAL HIGHWAY ADMINISTRATION INDICATES THAT NATIONAL CONSUMPTION OF GASOLINE IS STILL TENDING UPWARD, REGARDLESS OF EFFORTS TO ENCOURAGE REDUCED USE. THE INCREMENT IN COST PER GALLON REQUIRED TO FUND A TRANSIT SUPPORT PROGRAM WOULD BE A MINOR FRACTION OF THE INCREASE EXPERIENCED RECENTLY WITHOUT RETURNING A BENEFIT TO THE GENERAL PUBLIC. A ONE-CENT INCREASE WOULD YIELD SOME \$30 MILLION ANNUALLY IN LOS ANGELES COUNTY.

A ONE-CENT INCREASE IN THE GENERAL SALES TAX RATE IS WORTHY OF CONSIDERATION AS IT WOULD PRODUCE MORE THAN \$225 MILLION ANNUALLY AT THE PRESENT TIME.

WHILE THE SUGGESTIONS DISCUSSED HAVE MERITS OF SIMPLICITY OF ADMINISTRATION, EQUITY OR SIDE EFFECTS NOT INCONSISTENT WITH GENERAL PUBLIC POLICY, OR COMBINATIONS OF THESE MERITS, THEY ARE NOT NECESSARILY EXHAUSTIVE. THEY ARE OFFERED TO INDICATE THAT THE PROBLEM OF MAINTAINING A MULTI-MODAL SYSTEM OF TRANSPORTATION CAN BE SOLVED.

IN SUMMARY, THESE POINTS ARE ABOVE DISPUTE:

- 0 A SUBSTANTIAL, CONTINUING SOURCE OF ADDITIONAL FINANCIAL ASSISTANCE FOR TRANSIT OPERATING SUPPORT MUST BE CREATED.
- 0 THE PROBLEM IS STATEWIDE
- 0 IT IS PROBABLE THAT A LONG-TERM PROGRAM WILL REQUIRE A YEAR OR MORE TO IMPLEMENT THROUGH LEGISLATION.

O A PROGRAM, EITHER DISTRICT OR STATEWIDE, MUST BE ADOPTED BY THE 1976 SESSION OF THE STATE LEGISLATURE WHICH CAN MEET NEEDS IN FY 1978 AND SUCCEEDING YEARS. WHILE A NUMBER OF STATES PROVIDE SUPPORT FROM GENERAL FUND REVENUES, THE PROGRAM SHOULD IDENTIFY APPROPRIATE SOURCES OF NEW REVENUE. AMONG THE MOST PROMISING SOURCES APPEAR TO BE:

- AN INCREASE IN "IN LIEU" LICENSE FEE CONSISTENT WITH RATES ON OTHER PROPERTY
- AN INCREASE IN GENERAL SALES TAX
- AN INCREASE IN TAX ON GASOLINE BY SEPARATE SALES TAX OR OTHER MEANS WHICH WOULD PERMIT ALLOCATIONS TO TRANSIT OPERATIONS

IN CLOSING, LET ME URGE THAT THE NEED FOR LEGISLATIVE ACTION DURING THE 1976 SESSION IS VITAL IF TRANSIT PROGRESS IS NOT TO BE REVERSED BY PRICE INFLATION AND DETERIORATION OF THE EQUIPMENT AND FACILITIES WHICH ARE ESSENTIAL FOR SERVICE TO THE PUBLIC.

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
Minutes of Personnel Committee Meeting  
September 17, 1975 - Room 1002

Directors present: George Takei, Vice-Chairman  
Donald H. Gibbs  
Thomas G. Neuson  
Jay B. Price (replacement)

Directors absent: Adelina Gregory, Chairman  
Pete Schabarum

Staff present: Jack R. Gilstrap  
George McDonald  
Richard T. Powers  
John S. Wilkens  
Jack Stubbs  
George Heinle  
Richard K. Kissick  
Joe B. Scatchard  
Jack Walsh  
Byron Lewis  
Bob Williams  
Ray Harris  
Betty Miley  
Pat Bluenke

Others present: Charles Olson, Legislative Analyst

The meeting was called to order at 9:00 a.m. by Vice-Chairman Takei.

Upon motion of Director Price, seconded and unanimously carried, the Committee recommended the second Board Meeting in October remain the normal meeting date, October 15, 1975.

The General Manager presented his report dated September 17, 1975 relative to legislation affecting the District during the session ending September 12, 1975.



Personnel Committee Meeting  
September 17, 1975

Page Two

Mr. Charles Olson, the District's Legislative Analyst, was present and reported to the District the level of activity during the last session. A copy of the report is attached as Exhibit I.

Committee members briefly discussed the Section 13(c) of the UMTA labor protective agreements, but felt that further discussion should be held in Executive Session during the Regular Board Meeting later in the day.

The meeting adjourned at 9:45 a.m.

  
Committee Secretary

AMENDED IN SENATE FEBRUARY 11, 1992

CALIFORNIA LEGISLATURE—1991-92 REGULAR SESSION

ASSEMBLY BILL

No. 152

Introduced by Assembly Member Katz

December 18, 1990

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An act to add Section 130051.9 to amend Section 99285 of, to add Sections 130050.2, 130051.9, 130051.10, 130051.11, 130051.12, 130051.13, 130051.14, 130051.15, 130051.16, 130051.17, 130051.18, 130051.19, 130051.20, and 130051.21 to, and to repeal and add Sections 130051, 130051.5, and 130051.6 of, the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 152, as amended, Katz. Transportation agencies: Los Angeles County.

Existing law requires the Los Angeles County Transportation Commission and the Southern California Rapid Transit District to jointly develop a plan for the reorganization of these agencies with a unified comprehensive institutional structure which ensures maximum accountability to the people, to be approved by the governing bodies of both agencies and transmitted to the Legislature on or before January 1, 1992.

This bill would state the intent of the Legislature that the plan be implemented as quickly as possible after January 1, 1992.

(1) Existing law creates, prescribes the powers and duties of, and specifies the governing bodies of, the Southern California Rapid Transit District and the Los Angeles County Transportation Commission, respectively.

This bill would abolish the district and the commission. The bill would create the Los Angeles County Metropolitan



Transportation Authority as the successor to those agencies. The bill would prescribe the membership of the governing body of the authority and would provide for the authority to assume, over a specified period of time, the rights, powers, duties, obligations, and responsibilities of the district and the commission, and would prescribe additional powers and duties of the authority. In so doing, the bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates which do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that this bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to those statutory procedures and, if the statewide cost does not exceed \$1,000,000, shall be made from the State Mandates Claims Fund.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: ~~no~~ yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 130051.9 is added to the Public  
 2 SECTION 1. This act shall be known and may be  
 3 cited as the Los Angeles County Metropolitan  
 4 Transportation Authority Reform Act of 1992.  
 5 SEC. 2. (a) It is the intent of the Legislature that the  
 6 Los Angeles County Metropolitan Transportation  
 7 Authority be a unified comprehensive institutional  
 8 structure that ensures maximum accountability to the  
 9 people and that the authority succeed to the powers,  
 10 duties, obligations, liabilities, immunities, and  
 11 exemptions of both the Los Angeles County  
 12 Transportation Commission and the Southern California  
 13 Rapid Transit District as provided in this act.

1 (b) It is the intent of the Legislature that nothing in  
 2 this act shall enlarge or diminish the statutory rights,  
 3 duties, obligations, or privileges of any labor organization.  
 4 Further, it is the intent of the Legislature that nothing in  
 5 this act shall enlarge or diminish the statutory rights,  
 6 duties, obligations, or privileges of the Los Angeles  
 7 County Metropolitan Transportation Authority with  
 8 respect to any affected labor organization as a result of  
 9 the authority's succession to the Southern California  
 10 Rapid Transit District and the Los Angeles County  
 11 Transportation Commission by virtue of this act.

12 SEC. 3. Section 99285 of the Public Utilities Code is  
 13 amended to read:

14 99285. (a) The county transportation commissions  
 15 created pursuant to Division 12 (commencing with  
 16 Section 130000) shall submit to the transportation  
 17 planning agency those proposals claims to be funded, and  
 18 the transportation planning agency shall approve only  
 19 those claims submitted for such proposals.

20 (b) Each commission shall adopt appropriate criteria  
 21 by which proposals claims shall be analyzed and  
 22 evaluated, and shall approve only those proposals claims  
 23 which will provide for a coordinated public  
 24 transportation system consistent with the adopted  
 25 transportation improvement program and adopted  
 26 regional transportation plan and which will not result in  
 27 undesirable duplication of public transportation services.

28 (c) In considering proposals, the Los Angeles County  
 29 Metropolitan Transportation Commission Authority  
 30 shall consider, among other things, the fare revenue to  
 31 operating cost ratio and the public transit service mileage  
 32 of each operator in the Southern California Rapid Transit  
 33 District commission operating area, but under no  
 34 circumstances shall the included municipal operators in  
 35 existence on July 1, 1991, receive less than 15 percent of  
 36 the funds deposited in the fund attributable to the area  
 37 within the transit district.

38 (d) Subdivision (c) shall only remain in effect until  
 39 such time as the Los Angeles County Metropolitan  
 40 Transportation Commission Authority has, following a



1 public hearing, adopted a formula for the allocation of  
 2 funds available under Section 1604 of Title 49 of the  
 3 United States Code and available under this chapter in  
 4 the Southern California Rapid Transit District to the  
 5 district commission operating area to the commission  
 6 operator and eligible "included municipal operators" as  
 7 defined in subdivisions (a) and (d) of Section 99207. The  
 8 commission shall adopt such a formula not later than  
 9 January 1, 1980.

10 (e) Eight affirmative votes of the voting members, or  
 11 designated alternates, of the Los Angeles County  
 12 Transportation Commission shall be required in order to  
 13 adopt or modify the formula for allocation of funds  
 14 available under Section 1604 of Title 49 of the United  
 15 States Code and this chapter in the Southern California  
 16 Rapid Transit District to the district and included  
 17 municipal operators as defined in subdivisions (a) and  
 18 (d) of Section 99207.

19 The formula adopted under this section by the  
 20 commission shall remain in effect for a minimum of three  
 21 years, unless modified by eight affirmative votes of the  
 22 voting members, or designated alternates. The  
 23 commission shall annually review the adopted formula  
 24 after the development, but prior to adoption by the  
 25 commission, of the transportation improvement program  
 26 pursuant to Section 130303.

27 (f) Eight affirmative votes of the voting members, or  
 28 designated alternates, shall be required in order to  
 29 establish or change the criteria for admitting new  
 30 included municipal operators for eligibility for funds  
 31 allocated under Article 4 (commencing with Section  
 32 99260).

33 (g) Eight affirmative votes of the voting members, or  
 34 designated alternates, shall be required based on the  
 35 criteria in subdivision (f) to allocate funds under Article  
 36 4 (commencing with Section 99260) to any "included  
 37 municipal operator" as defined in subdivision (d) of  
 38 Section 99207 which has not previously received funds  
 39 under this article.

40 The formula adopted by the Los Angeles County

1 Metropolitan Transportation Authority shall be the same  
 2 as the formula in existence on July 1, 1991, and shall  
 3 remain in effect until at least July 1, 1997. Prior to July 1,  
 4 1997, the commission shall not reduce the total  
 5 percentage share of revenues allocated during the  
 6 1991-92 fiscal year to the included municipal operators, as  
 7 a whole, in existence on July 1, 1991. If a municipal  
 8 operator significantly reduces service, the proportion of  
 9 that operator's fund may be reallocated.

10 (e) Until July 1, 1997, in the interest of promoting  
 11 efficiency, any municipal operator having operating costs  
 12 less than the regional bus system operated by the Los  
 13 Angeles County Metropolitan Transportation Authority  
 14 shall be allocated not less than the same proportion of  
 15 available funds allocated to that operator on July 1, 1991.

16 (f) (1) After July 1, 1997, a two-thirds vote of the  
 17 members of the Los Angeles County Metropolitan  
 18 Transportation Authority shall be required in order to  
 19 adopt or modify the formula for allocation of funds  
 20 available in the commission operating area to the  
 21 commission operator and included municipal operators  
 22 as defined in subdivisions (a) and (d) of Section 99207.  
 23 Subdivision (c) shall be applicable if the authority fails to  
 24 adopt a formula.

25 (2) A two-thirds vote of the members shall be required  
 26 in order to establish or change the criteria for admitting  
 27 new included municipal operators for eligibility for funds  
 28 allocated under Article 4 (commencing with Section  
 29 99260).

30 (3) A two-thirds vote of the members shall be  
 31 required, based on the criteria in effect under paragraph  
 32 (2), to allocate funds under Article 4 (commencing with  
 33 Section 99260) to any "included municipal operator," as  
 34 defined in subdivision (d) of Section 99207, which has not  
 35 previously received funds under this article.

36 (g) The Los Angeles County Metropolitan  
 37 Transportation Authority shall give equal consideration  
 38 to the capital projects of all operators in the county, and  
 39 shall allocate available regional transit capital funds based  
 40 on objective criteria adopted by a two-thirds vote of the



1 members, except that the commission may, by a majority  
2 vote of its members, allocate funds for any rail capital  
3 outlay improvement.

4 SEC. 4. Section 130050.2 is added to the Public  
5 Utilities Code, to read:

6 130050.2. There is hereby created the Los Angeles  
7 County Metropolitan Transportation Authority. The  
8 authority shall be the single successor agency to the  
9 Southern California Rapid Transit District and the Los  
10 Angeles County Transportation Commission as provided  
11 by the act that enacted this section.

12 SEC. 5. Section 130051 of the Public Utilities Code is  
13 repealed.

14 130051. The Los Angeles County Transportation  
15 Commission shall consist of 12 members appointed as  
16 follows:

17 (a) Five members of the Los Angeles County Board of  
18 Supervisors shall serve on the commission or the board  
19 may appoint, as an alternate member to a supervisor, a  
20 mayor or city councilman of any city, other than the City  
21 of Long Beach or Los Angeles, within Los Angeles  
22 County or a private individual.

23 (b) The Mayor of the City of Los Angeles or an  
24 alternate appointed by the mayor.

25 (c) Two members appointed by the Mayor, with the  
26 consent of the City Council, of the City of Los Angeles.  
27 If the mayor appoints a member of the city council,  
28 consent of the city council is not necessary.

29 (d) Two members appointed by the Los Angeles  
30 County City Selection Committee, excluding the  
31 members representing the Cities of Long Beach and Los  
32 Angeles.

33 (e) One member appointed by the City Council of the  
34 City of Long Beach, which member shall be a member of  
35 the city council.

36 (f) One nonvoting member appointed by the  
37 Governor.

38 SEC. 6. Section 130051 is added to the Public Utilities  
39 Code, to read:

40 130051. The Los Angeles County Metropolitan

1 Transportation Authority consists of 14 members, as  
2 follows:

3 (a) Five members of the Los Angeles County Board of  
4 Supervisors.

5 The board of supervisors may appoint, as an alternate  
6 member to a supervisor, a mayor or member of a city  
7 council of any city, other than the City of Los Angeles,  
8 within Los Angeles County, or a member of the public.  
9 If the number of members of the Los Angeles County  
10 Board of Supervisors is increased, the authority shall,  
11 within 60 days of the increase, submit a plan to the  
12 Legislature for revising the composition of the authority.

13 (b) The Mayor of the City of Los Angeles or an  
14 alternate appointed by the mayor.

15 (c) Two public members and one member of the City  
16 Council of the City of Los Angeles appointed by the  
17 Mayor of the City of Los Angeles.

18 (d) Four members, each of whom shall be a mayor or  
19 a member of a city council, appointed by the Los Angeles  
20 County City Selection Committee. For purposes of the  
21 selection of these four members, the County of Los  
22 Angeles, excluding the City of Los Angeles, shall be  
23 divided into the following four sectors:

24 (1) The North County/San Fernando Valley sector;

25 (2) The Southwest Corridor sector;

26 (3) The San Gabriel Valley sector; and

27 (4) The Southeast Long Beach sector.

28 The California League of Cities, Los Angeles Chapter,  
29 shall define the sectors. Every city within a sector shall be  
30 entitled to one vote to nominate a candidate from that  
31 sector for appointment by the Los Angeles County City  
32 Selection Committee.

33 The members selected by the city selection committee  
34 shall serve four-year terms with no limitation on the  
35 number of terms that may be served by any individual.  
36 The city selection committee may, in its discretion,  
37 shorten the initial four-year term for one or more of the  
38 members for the purpose of ensuring that the members  
39 will serve staggered terms.

40 (e) If the population of the City of Los Angeles, at any



1 time, becomes less than 35 percent of the combined  
 2 population of all cities in the county, the position of one  
 3 of the two public members appointed pursuant to  
 4 subdivision (c), as determined by the Mayor of the City  
 5 of Los Angeles by lot, shall be vacated, and the vacant  
 6 position shall be filled by appointment by the city  
 7 selection committee pursuant to subdivision (d) from a  
 8 city not represented by any other member appointed  
 9 pursuant to subdivision (d).

10 (f) One nonvoting member appointed by the  
 11 Governor.

12 SEC. 7. Section 130051.5 of the Public Utilities Code  
 13 is repealed.

14 130051.5. (a) The appointing authority specified in  
 15 subdivision (e), (d), or (c) of Section 130051 may appoint  
 16 an alternate member to the Los Angeles County  
 17 Transportation Commission to represent, on a temporary  
 18 basis, a regular member it has appointed, but only in  
 19 those cases where the regular member cannot attend the  
 20 meeting.

21 (b) For purposes of this section, an alternate member  
 22 shall be:

23 (1) In the case of the two members appointed by the  
 24 Mayor of the City of Los Angeles, any person appointed  
 25 by the mayor with the consent of the City Council of the  
 26 City of Los Angeles. If the alternate member is a member  
 27 of the city council, consent of the city council is not  
 28 necessary.

29 (2) In the case of the Los Angeles County City  
 30 Selection Committee, excluding the members  
 31 representing the Cities of Long Beach and Los Angeles,  
 32 any mayor or city councilman serving within Los Angeles  
 33 County, excluding those two cities and the cities the  
 34 regular members are from.

35 (3) In the case of the City of Long Beach, another  
 36 member of the City Council of the City of Long Beach.

37 (c) Any alternate member appointed to the Los  
 38 Angeles County Transportation Commission, including  
 39 any appointed pursuant to Section 130051, shall act for,  
 40 and in the interests, of his or her appointing authority.

1 (d) On and after July 1, 1992, no alternate member  
 2 shall serve on both the Board of Directors of the Southern  
 3 California Rapid Transit District and the Los Angeles  
 4 County Transportation Commission.

5 SEC. 8. Section 130051.5 is added to the Public  
 6 Utilities Code, to read:

7 130051.5. (a) The appointing authorities specified in  
 8 subdivisions (c) and (d) of Section 130051 may each  
 9 appoint an alternate member to the Los Angeles County  
 10 Metropolitan Transportation Authority to represent, at a  
 11 meeting of the authority, a regular member it has  
 12 appointed, but only if the regular member cannot attend  
 13 the meeting.

14 (b) For purposes of this section, an alternate member  
 15 shall be:

16 (1) In the case of the member of the City Council of  
 17 the City of Los Angeles appointed by the Mayor of the  
 18 City of Los Angeles, any person appointed by the mayor  
 19 with the consent of the city council. If the alternate  
 20 member is a member of the city council, consent of the  
 21 city council is not necessary. In the case of the two public  
 22 members appointed by the mayor, any persons  
 23 appointed by the mayor.

24 (2) In the case of a member appointed by the Los  
 25 Angeles County City Selection Committee, the mayor or  
 26 city council member of a city within the county, other  
 27 than the City of Los Angeles or a city represented by a  
 28 regular member.

29 (c) Any alternate member appointed to the Los  
 30 Angeles County Metropolitan Transportation Authority,  
 31 including any appointed pursuant to Section 130051, shall  
 32 act for, and in the interests of, his or her appointing  
 33 authority.

34 (d) Except for alternate members appointed pursuant  
 35 to subdivision (d) of Section 130051, alternate members  
 36 appointed to the Los Angeles County Metropolitan  
 37 Transportation Authority shall not vote on any matter  
 38 reserved to the authority exclusively pursuant to Section  
 39 130051.12.

40 SEC. 9. Section 130051.6 of the Public Utilities Code



1 *is repealed.*

2 130051.6. (a) Except as provided in subdivision (b),  
3 each member of the Los Angeles County Transportation  
4 Commission shall serve a term of four years and until the  
5 successor is appointed and qualified. Other than the  
6 member initially appointed by the Governor, the  
7 members initially appointed shall serve until January 1,  
8 1981.

9 (b) The membership of any member serving on the  
10 commission as a result of holding another public office  
11 shall terminate when the member ceases holding the  
12 other public office.

13 (c) The Los Angeles County City Selection  
14 Committee, excluding the members representing the  
15 Cities of Long Beach and Los Angeles, shall not appoint  
16 any individual to serve more than two terms on the  
17 commission.

18 SEC. 10. Section 130051.6 is added to the Public  
19 Utilities Code, to read:

20 130051.6. (a) Except as provided in subdivision (b),  
21 each member of the Los Angeles County Metropolitan  
22 Transportation Authority shall serve a term of four years  
23 or until his or her successor is appointed and qualified. A  
24 member may be removed at the pleasure of the  
25 appointing authority. A member may be reappointed for  
26 additional terms without limitation on the number of  
27 reappointments. Other than the member initially  
28 appointed by the Governor, and members appointed to  
29 staggered terms pursuant to subdivision (e) of Section  
30 130051, the members initially appointed shall serve until  
31 January 1, 1997.

32 (b) The membership of any member serving on the  
33 authority as a result of holding another public office shall  
34 terminate when the member ceases holding the other  
35 public office.

36 SEC. 11. Section 130051.9 is added to the Public  
37 Utilities Code, to read:

38 130051.9. (a) The Los Angeles County Metropolitan  
39 Transportation Authority shall appoint a full-time chief  
40 executive officer who shall act for the authority under its

1 direction. The chief executive officer shall have the  
2 powers and duties of the general manager of the  
3 Southern California Rapid Transit District and the  
4 executive director of the Los Angeles County  
5 Transportation Commission and shall manage and  
6 administer the affairs of the Southern California Rapid  
7 Transit District, the Los Angeles County Transportation  
8 Commission, the Los Angeles County Metropolitan  
9 Transportation Authority, and any organizational units  
10 created by the Los Angeles County Metropolitan  
11 Transportation Authority.

12 (b) The Los Angeles County Metropolitan  
13 Transportation Authority may appoint a general counsel,  
14 inspector general, and board secretary.

15 SEC. 12. Section 130051.10 is added to the Public  
16 Utilities Code, to read:

17 130051.10. (a) The members of the Los Angeles  
18 County Metropolitan Transportation Authority shall be  
19 appointed no later than February 1, 1993. The authority  
20 shall have no powers, duties, or responsibilities until  
21 February 1, 1993.

22 (b) From February 1, 1993, until April 1, 1993, the Los  
23 Angeles Metropolitan Transportation Authority,  
24 exclusively, may exercise any of the powers of the board  
25 of directors of the Southern California Rapid Transit  
26 District and the governing body of the Los Angeles  
27 County Transportation Commission, except those powers  
28 that the authority has expressly delegated to the district  
29 or to the commission.

30 (c) On April 1, 1993, the terms of office of members of  
31 the board of directors of the Southern California Rapid  
32 Transit District and of the governing body of the Los  
33 Angeles County Transportation Commission are  
34 terminated and that board of directors and that  
35 governing body are succeeded by the governing body of  
36 the Los Angeles Metropolitan Transportation Authority  
37 which may act on behalf of the district and the  
38 commission. However, the obligations, liabilities, and  
39 indebtedness, bonded and otherwise, of the Southern  
40 California Rapid Transit District and the Los Angeles



1 County Transportation Commission shall remain with  
2 the respective agency until May 1, 1993, when the agency  
3 is abolished and succeeded by the Los Angeles County  
4 Metropolitan Transportation Authority pursuant to  
5 Section 130051.13.

6 SEC. 13. Section 130051.11 is added to the Public  
7 Utilities Code, to read:

8 130051.11. (a) The Los Angeles County Metropolitan  
9 Transportation Authority may determine its  
10 organizational structure, which may include, but is not  
11 limited to, the establishment of departments, divisions,  
12 subsidiary units, or other organizational units. The  
13 authority shall, at a minimum, establish the following  
14 organizational units:

15 (1) A transit construction organizational unit to  
16 assume the construction responsibilities for all exclusive  
17 public mass transit guideway construction projects in Los  
18 Angeles County.

19 (2) An operating organizational unit with the  
20 following responsibilities:

21 (A) The operating responsibilities of the Southern  
22 California Rapid Transit District on all exclusive public  
23 mass transit guideway projects in the County of Los  
24 Angeles.

25 (B) The operation of bus routes operated by the  
26 Southern California Rapid Transit District, and all the  
27 duties, obligations, and liabilities of the district relating to  
28 those bus routes.

29 (3) A transportation planning and programming  
30 organizational unit with all planning responsibilities  
31 previously performed by the Southern California Rapid  
32 Transit District and the Los Angeles County  
33 Transportation Commission.

34 (b) Nothing in this section shall be construed to  
35 require specific bus routes to be operated. The authority  
36 or the operating organizational unit may make any  
37 adjustment with respect to bus routes, bus services, or  
38 both, which is within the power of the Los Angeles  
39 County Transportation Commission, or the Southern  
40 California Rapid Transit District.

1 (c) Any obligations of the Southern California Rapid  
2 Transit District arising out of a collective bargaining  
3 agreement entered into by the district shall be the  
4 exclusive obligations of the Los Angeles County  
5 Metropolitan Transportation Authority. It is the intent of  
6 the Legislature that the rights or obligations under any  
7 collective bargaining agreement in existence on January  
8 1, 1993, not be enlarged or diminished by this section or  
9 any other provision of the act which added this section.

10 (d) No collective bargaining agreement entered into  
11 by the Southern California Rapid Transit District on or  
12 after January 1, 1993, shall be effective unless approved  
13 by the Los Angeles County Metropolitan Transportation  
14 Authority. The authority's approval of an agreement shall  
15 cause the agreement to be binding upon the authority.

16 (e) The Los Angeles County Metropolitan  
17 Transportation Authority may administratively delegate  
18 to an organizational unit or to its chief executive officer  
19 any powers and duties it deems appropriate. Powers and  
20 duties which may be delegated to an organizational unit  
21 include, but are not limited to, the following:

22 (1) The power of eminent domain.

23 (2) Approval of contracts, except the final approval of  
24 labor contracts.

25 (3) Hearing and resolving bid protests.

26 SEC. 14. Section 130051.12 is added to the Public  
27 Utilities Code, to read:

28 130051.12. The Los Angeles County Metropolitan  
29 Transportation Authority shall, at a minimum, reserve to  
30 itself exclusively, all of the following powers and  
31 responsibilities:

32 (a) Establishment of overall goals and objectives.

33 (b) Adoption of the aggregate budget for all  
34 organizational units.

35 (c) Designation of additional included municipal  
36 operators.

37 (d) Approval of final rail corridor selections.

38 (e) Final approval of labor contracts.

39 (f) Establishment of the authority's organizational  
40 structure.



1 (g) Conducting hearings and the setting of fares.

2 (h) Approval of transportation zones.

3 (i) Approval of the issuance of any debt instrument  
4 with a maturity date that exceeds the end of the fiscal  
5 year in which it is issued.

6 (j) Approval of benefit assessment districts and  
7 assessment rates.

8 (k) Approval of contracts for construction and transit  
9 equipment acquisition which exceed five million dollars  
10 (\$5,000,000), and making the findings required by  
11 subdivision (c) of Section 130238.

12 SEC. 15. Section 130051.13 is added to the Public  
13 Utilities Code, to read:

14 130051.13. On May 1, 1993, the Southern California  
15 Rapid Transit District and the Los Angeles County  
16 Transportation Commission are abolished. Upon the  
17 abolishment of the district and the commission, the Los  
18 Angeles County Metropolitan Transportation Authority  
19 shall succeed to any or all of the powers, duties, rights,  
20 obligations, liabilities, indebtedness, bonded and  
21 otherwise, immunities, and exemptions of the district and  
22 its board of directors and the commission and its  
23 governing body.

24 SEC. 16. Section 130051.14 is added to the Public  
25 Utilities Code, to read:

26 130051.14. On and after May 1, 1993, any reference in  
27 this part, or in any other provision of law or regulation,  
28 to the Southern California Rapid Transit District or to the  
29 Los Angeles County Transportation Commission or to  
30 county transportation commission in general shall be  
31 deemed to refer to the Los Angeles County Metropolitan  
32 Transportation Authority.

33 SEC. 17. Section 130051.15 is added to the Public  
34 Utilities Code, to read:

35 130051.15. (a) Upon the abolishment of the Southern  
36 California Rapid Transit District and the Los Angeles  
37 County Transportation Commission, the Los Angeles  
38 County Metropolitan Transportation Authority shall  
39 assume the rights and obligations of the district and the  
40 commission under any contract to which the district or

1 the commission is a party and which is to be performed,  
2 in whole or in part, on or after January 1, 1993. All real and  
3 personal property owned by the district or the  
4 commission shall be transferred to the authority by  
5 operation of law.

6 (b) The Los Angeles County Metropolitan  
7 Transportation Authority shall assume, without any  
8 condition whatsoever, all responsibilities and obligations  
9 previously assumed by the Southern California Rapid  
10 Transit District or the Los Angeles County  
11 Transportation Commission with regard to the full  
12 funding agreement, including all agreements pursuant to  
13 Section 13(c) of the Urban Mass Transportation Act of  
14 1964 which relate to the full funding agreement, with the  
15 Federal Transit Administration for the funding of the Los  
16 Angeles County Metro Rail Project. It is the intent of the  
17 Legislature that nothing in this act shall enlarge or  
18 diminish the projects covered or any rights or obligations  
19 under any existing agreements pursuant to Section 13(c).

20 (c) The Los Angeles County Metropolitan  
21 Transportation Authority shall not honor any personal  
22 services contract entered into between either the Los  
23 Angeles County Transportation Commission or the  
24 Southern California Rapid Transit District and an  
25 employee or former employee of either agency prior to  
26 January 1, 1993.

27 SEC. 18. Section 130051.16 is added to the Public  
28 Utilities Code, to read:

29 130051.16. Notwithstanding any other provision of  
30 law, the Los Angeles County Metropolitan  
31 Transportation Authority shall assume the duties,  
32 obligations, and liabilities of the Southern California  
33 Rapid Transit District, including those duties, obligations,  
34 and liabilities arising from or relating to collective  
35 bargaining agreements or labor obligations imposed by  
36 state or federal law, only to the extent that the authority  
37 is acting pursuant to specific duties, obligations, liabilities,  
38 rights, or powers to which it succeeded as a result of the  
39 abolishment of the district pursuant to Section 130051.13.

40 SEC. 19. Section 130051.17 is added to the Public



1 *Utilities Code, to read:*

2 *130051.17. Prior to the approval of any contract by the*  
3 *authority, or by any organizational unit of the authority,*  
4 *the authority shall adopt an ordinance comparable to*  
5 *Article 2 (commencing with Section 89504) of Chapter*  
6 *9.5 of Title 9 of the Government Code, which regulates*  
7 *the acceptance of gifts by members of the authority,*  
8 *alternate members, members of the board of an*  
9 *organizational unit, and designated employees of the*  
10 *authority. The ordinance shall prohibit members of the*  
11 *authority, alternate members, members of the board of*  
12 *an organizational unit of the authority, and any*  
13 *designated employee of the authority, from accepting*  
14 *gifts with a total value of more than two hundred fifty*  
15 *dollars (\$250) in a calendar year from any single source*  
16 *which represents a conflict of interest.*

17 (a) *For the purposes of this section, "gift" shall have*  
18 *the same meaning as in Section 82028 of the Government*  
19 *Code.*

20 (b) (1) *Payments, advances, or reimbursements, for*  
21 *travel, including actual transportation and related*  
22 *lodging and subsistence which is reasonably related to a*  
23 *governmental purpose, or to an issue of local, state,*  
24 *national or international public policy, is not prohibited*  
25 *or limited by this section if either of the following apply:*

26 (A) *The travel is in connection with a speech given by*  
27 *a member, alternate member, member of the board of an*  
28 *organizational unit, or designated employee, the lodging*  
29 *and subsistence expenses are limited to the day*  
30 *immediately preceding, the day of, and the day*  
31 *immediately following the speech, and the travel is*  
32 *within the United States.*

33 (B) *The travel is provided by a government, a*  
34 *governmental agency, a foreign government, a*  
35 *governmental authority, a bona fide public or private*  
36 *educational institution, as defined in Section 203 of the*  
37 *Revenue and Taxation Code, or a nonprofit charitable or*  
38 *religious organization which is exempt from taxation*  
39 *under Section 501(c)(3) of the Internal Revenue Code,*  
40 *or by a person domiciled outside the United States which*

1 *substantially satisfies the requirements for tax exempt*  
2 *status under Section 501(c)(3) of the Internal Revenue*  
3 *Code.*

4 (2) *Gifts of travel not described in paragraph (1) are*  
5 *subject to the limits in this section.*

6 (3) *Paragraph (1) applies only to travel which is*  
7 *reported on the recipient's statement of economic*  
8 *interest.*

9 (4) *For purposes of this section, a gift does not include*  
10 *travel which is provided by the Los Angeles County*  
11 *Metropolitan Transportation Authority.*

12 (5) (A) *Violations of the policy by designated*  
13 *employees shall be punishable by personnel action.*

14 (B) *The members of the authority, alternate*  
15 *members, and members of the board of an organizational*  
16 *unit of the authority may be removed from office for a*  
17 *violation of the policy.*

18 SEC. 20. *Section 130051.18 is added to the Public*  
19 *Utilities Code, to read:*

20 *130051.18. (a) The Los Angeles County Metropolitan*  
21 *Transportation Authority shall adopt an affirmative*  
22 *action plan for its management positions which reflects*  
23 *the ethnic demographics of the county, taking into*  
24 *consideration the availability of the workforce in the*  
25 *various ethnic groups.*

26 *The authority shall, prior to the approval of any*  
27 *contract by the authority or by its organization units,*  
28 *adopt and implement a disadvantaged business*  
29 *enterprise program which establishes participation goals*  
30 *of not less than 15 percent of the dollar value of all*  
31 *contracts by minority business enterprises and not less*  
32 *than 5 percent by women business enterprises.*

33 (c) *The authority shall establish a Minority/Women*  
34 *Business Enterprise Advisory Council to advise it on*  
35 *matters regarding the disadvantaged business enterprise*  
36 *program to enable the authority to meet or exceed*  
37 *women and minority business enterprise participation*  
38 *goals. Members of the council shall be selected by the*  
39 *authority, and shall include representatives of*  
40 *professional organizations and other groups which*



1 advocate on behalf of greater participation of women and  
 2 minority business enterprises in public contracts. The  
 3 authority shall provide adequate staff support for the  
 4 council, and shall consider all recommendations made by  
 5 the council.

6 SEC. 21. Section 130051.19 is added to the Public  
 7 Utilities Code, to read:

8 130051.19. (a) The Los Angeles County Metropolitan  
 9 Transportation Authority shall, prior to the award of any  
 10 contract, adopt and implement a policy for the  
 11 procurement of transit equipment and materials,  
 12 including, but not limited to, transit rail cars, train control  
 13 systems, communications equipment, traction power  
 14 equipment, fare collection equipment, and buses, which  
 15 requires preferential consideration for contracts that  
 16 include the participation of business enterprises located  
 17 within California and Los Angeles County. The policy  
 18 shall, at a minimum, require a percentage, as specified in  
 19 subdivision (b), of the content of the transit equipment  
 20 to be of California or Los Angeles County manufacture,  
 21 as appropriate pursuant to subdivision (b), based on cost.  
 22 A component shall be considered to meet the content  
 23 requirement if at least 50 percent of its subcomponents  
 24 are of California or Los Angeles County manufacture.  
 25 The policy shall also require final assembly within  
 26 California or Los Angeles County.

27 (b) The minimum required percentage of California  
 28 or Los Angeles County content shall be as follows:

29 (1) In the case of a project funded 50 percent or more  
 30 with local funds, the minimum required Los Angeles  
 31 County content shall be 45 percent for contracts entered  
 32 into prior to January 1, 1994, 60 percent for contracts  
 33 entered into between January 1, 1994, and December 31,  
 34 1995, and 75 percent for contracts entered into on and  
 35 after January 1, 1996.

36 (c) Until January 1, 1997, the authority may, by a  
 37 unanimous vote of its members, waive the policy adopted  
 38 pursuant to subdivision (a) if it finds that the transit  
 39 equipment and materials are not manufactured or  
 40 available within California or Los Angeles County, as

1 required by subdivision (b), and if a resolution stating the  
 2 facts supporting those findings is adopted, following a  
 3 public hearing.

4 (d) As used in this section, "manufacture,"  
 5 "component," and "subcomponent" shall have the same  
 6 meaning as is given those terms in Part 661 of Title 49 of  
 7 the Code of Federal Regulations.

8 (e) Any contract entered into with a foreign  
 9 manufacturer shall provide suitable personnel training  
 10 and technology transfer opportunities to domestic  
 11 manufacturers.

12 (f) The authority may waive any requirement of this  
 13 section which, if applied, would make the authority  
 14 ineligible for federal transportation funding.

15 SEC. 22. Section 130051.20 is added to the Public  
 16 Utilities Code, to read:

17 130051.20. As applied to the Los Angeles County  
 18 Metropolitan Transportation Authority:

19 (a) The term "agency official," as defined by Section  
 20 82004 of the Government Code, also includes any  
 21 member, officer, employee, or consultant of the authority  
 22 who, as part of his or her official responsibilities,  
 23 participates in any administrative action in other than a  
 24 purely clerical, secretarial, or ministerial capacity.

25 (b) The term \_\_\_\_\_, as defined by Section \_\_\_\_\_  
 26 of the Government Code, also includes any action by the  
 27 authority or its employees acting in their official capacity.

28 SEC. 23. Section 130051.21 is added to the Public  
 29 Utilities Code, to read:

30 13005.21. No former member, former alternate  
 31 member, or former member of an organizational unit of  
 32 the Los Angeles County Metropolitan Transportation  
 33 Authority shall, and no former employee, for a period of  
 34 one year after leaving employment, shall, for  
 35 compensation, act as agent or attorney for, or otherwise  
 36 represent, any other person, by making any formal or  
 37 informal appearance, or by making any oral or written  
 38 communication, before the authority, if the appearance  
 39 or communication is made for the purpose of influencing  
 40 administrative action, or influencing any action or



1 proceeding involving the issuance, amendment,  
2 awarding, or revocation of a permit, license, grant, or  
3 contract, or the sale or purchase of goods or property.

4 SEC. 24. Sections 5 and 9 of this act shall become  
5 operative May 1, 1993.

6 SEC. 25. No reimbursement is required by this act  
7 pursuant to Section 6 of Article XIII B of the California  
8 Constitution because this act is in accordance with the  
9 request of a local agency or school district which desired  
10 legislative authority to carry out the program specified in  
11 this act. Notwithstanding Section 17580 of the  
12 Government Code, unless otherwise specified in this act,  
13 the provisions of this act shall become operative on the  
14 same date that the act takes effect pursuant to the  
15 California Constitution.

16 SEC. 26. If any provision of this act or the application  
17 thereof to any person or circumstances is held invalid,  
18 that invalidity shall not affect other provisions or  
19 applications of the act which can be given effect without  
20 the invalid provision or application, and to this end the  
21 provisions of this act are severable.

22 Utilities Code, to read:

23 130051.9. It is the intent of the Legislature that the  
24 plan required to be prepared pursuant to Section  
25 130051.8 be implemented as quickly as possible after  
26 January 1, 1992.