

Torrance, California
May 20, 1947

MINUTES OF AN ADJOURNED REGULAR
MEETING OF THE CITY COUNCIL
OF THE CITY OF TORRANCE

The City Council of the City of Torrance convened in an Adjourned Regular Meeting in the Council Chamber, City Hall, Torrance, California, on Tuesday, May 20, 1947, at 5:12 p.m.

Mayor Sherfey called the meeting to order.

Clerk Bartlett called the roll, those answering present being Councilmen: Gilbert, Jackson, Powell, Tolson and Sherfey. Absent: Councilmen: None.

This being an adjourned meeting, the regular order of business was dispensed with.

Mr. William Murphey, Manager of the Torrance Municipal Bus Lines reported on the financial condition of the Bus Lines, he offered proposals for its continued improvement, made recommendations for lowering the cost of maintenance of equipment, and submitted estimated 1947-48 Budget for the Bus Lines, as follows:

Estimated total expense for 1947-48	\$151,463.00
Estimated Income	171,000.00
Estimated Profit	19,537.00
Payrolls will equal approximately	60,000.00
Depots Expenses	9,700.00
Stationery and Office Supplies	5,000.00
Maintenance Cost	41,363.00
Bus Rentals	11,400.00
Gasoline and Oil	6,000.00
Miscellaneous Expenses	2,500.00
Three extra drivers for new runs	7,050.00
Insurance	<u>7,500.00</u>
Making an approximate total of	\$151,463.00

Councilman Jackson inquired about the receipts and disbursements at the present time. Mr. Murphey replied that based on the past year's experience, the disbursements are running close to the receipts. He believed that the cost of operation of the lines could be reduced considerably by the purchase of additional equipment and that the cost of maintenance should be decreased by one or two cents a mile. He also explained that changes have been made in the schedules in order to eliminate overtime, but that overtime is being paid in the shop. The extra heavy loads on the busses is a continual wear on them, but that much of this can be overcome by the purchase of new equipment.

Mayor Sherfey inquired if, in Mr. Murphey's opinion, new busses, which would reduce the use of the older busses, would help decrease the cost of maintenance. Mr. Murphey replied in the affirmative. At this point Mr. Murphey explained about the load capacity of the various busses now in operation, the runs they are making, and the effect such loads are having on the equipment, and stated that the cost of repairs on the Fords is less than on the Whites as the former can be repaired faster.

There was considerable discussion on the mileage traveled, Mr. Murphey stating that the previous total mileage averaged about 36,000 miles as against 40,000 this year; that the busses were running about four or five thousand miles more per month, using mostly the Crown busses.

Mr. Murphey then discussed the cost of maintaining the ticket offices at 10th and Hill Streets and at the Beacon Drug Store, which amounts to \$10,200.00 annually, and is broken down as follows:

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Rent at 10th & Hill Street	\$	1200.00
Commission	"	5000.00
Maintenance	"	500.00
Commission Beacon Drug		3500.00

Mr. Murphey recommended that the sale of tickets be discontinued and that all fares go through the coin boxes. He explained that this system would help prevent the possibility of mishandling of fares and also eliminate commissions on tickets. He stated that it was proposed to establish a better depot in Los Angeles and Torrance, and he believed that enough revenue could be derived from concessions in the depots to pay for the rents.

Mayor Sherfey asked Mr. Murphey if he had any suggestions to make on a new location for a depot in Los Angeles. Mr. Murphey replied that the matter was about ninety-five percent settled. He explained that the busses will traverse the following route: Down Hill Street to Fifth Street, thence to Los Angeles Street, then circle on Los Angeles Street to Venice and then back to Hill Street. The depot at Sixth and Main Streets, belonging to the Pacific Electric Railway Company will be used. However, this matter has not been definitely concluded, it being first necessary to obtain the approval of the Pacific Electric Railway Company and the Los Angeles Public Utilities Commission.

Mr. Murphey presented a proposed agreement with the Commerce Traffic Counsellors, Inc. in which they propose to offer to the City as many busses as may be needed on a rental basis, which agreement covered only a year's rental. He explained further that this company will furnish new busses, under this contract, as often as the city deems it necessary. These busses would be obtained from the East and the cost of bringing them out to Torrance would be at the expense of the company, and after being received here would be operated by the City as their own. Mr. Murphey suggested, if it met with the Council's approval, that some of the drivers be sent East to drive back the busses, which could be done at no expense to the City of Torrance, the company assuming all the insurance and liability while bringing them out.

City Attorney Willett stated, if it met with the Council's approval, that it will be necessary for the men, who are delegated to go East to drive back the busses, to secure a leave of absence for that period and be in the full employ of the company, the company to assume all liability.

There was considerable discussion on the cost of rental for the two new busses as well as the revenue and expense on a per mile basis. Mr. Murphey explained that the rental on the new busses will be \$325.00 per month for 6000 miles, which is equivalent to a little over five cents a mile, and anything over 6000 miles would be at the rate of four and a half cents per mile. Because of the present overload and age of equipment, Mr. Murphey stated it was necessary to secure new or additional equipment before the present equipment deteriorates to the point where it can no longer be operated, and the cost of maintenance would rise to an exorbitant figure.

The question of increasing fares was discussed, Councilman Powell believed this would be justified. Mr. Murphey agreed that the round trip fare into Los Angeles could be increased five cents, but did not deem it advisable to do so until the City had obtained new equipment, explaining that at present out of a load of ninety passengers only forty-four were able to obtain seats. After this statement, Councilman Powell agreed that it would be better to defer increasing the fares until the Bus Lines is able to offer better accommodations to the public.

Mr. Murphey suggested that, if it is the desire of the Council to obtain additional busses, the agreement with the Commerce Traffic Counsellors, Inc. be referred to City Attorney Willett for consideration as to its legal aspects.

Mayor Sherfey asked members of the Council if they would be willing to meet with Mr. Murphey and Attorney Willett with the object of studying the agreement in detail and discussing the matter further. Councilman Tolson suggested that Attorney Willett be given a copy of the agreement for study and that after the meeting with Mr. Murphey and Attorney Willett on Thursday, May 22, 1947, at 8:15 p.m., the Council could take official action at the next regular meeting.

Mr. Murphey referred to the budget for the Bus Lines and stated that he was in favor of putting in a gasoline pump and tank at the garage for use of the busses only and to which the service man would have access. He believed a considerable saving could be effected in this method of distribution.

Mayor Sherfey asked Mr. Murphey to bring with him to the meeting Thursday night the service check on the personnel of his Department.

City Auditor Logan Cotton made the following brief analysis of the financial condition of the City of Torrance as of this date, and explained that because this is pay day it was impossible to obtain a complete breakdown; therefore, his figures are only pencil figures.

Balance in the General Fund as of May 20, 1947, after payroll of this date is met	\$56,938.72
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Pending bills to be paid amounting to about \$6,982.16, which Mr. Cotton suggested be paid, will leave a balance of approximately \$50,000.00.

After the June payroll is met, plus some additional bills, plus the completion of the Fire Station, and with a small amount of additional revenue, there should be a balance of approximately \$22,000.00 in the General Fund as of June 30th, which will reflect the City's solvency as of that date, that is, as far as the General Fund is concerned. This balance should be enough to take care of two payrolls in July, and if the City is lucky in receiving a little additional revenue, there should be sufficient funds to meet the current July bills. The City should have enough to carry it through to the first of August without registering warrants, and the big bills would be paid. The April payroll, before the reduction went into effect, was \$28,636.11. The payroll of May, after the reduction went into effect, was \$21,443.29, or a reduction of \$7,192.82, which if continued at the same rate would amount to approximately \$86,000.00 a year. With the curtailment of purchases and the saving in bills, which is now in effect, Mr. Cotton felt assured that the saving to the City will be approximately \$100,000.00 a year, if this economy program is continued throughout the year, and this should carry the City over the dry period. After the warrants are signed and the bills are met, as of this date, there will be an approximate balance of \$50,000.00 to run the City to the first of July. After the June payroll of approximately \$22,000.00 has been met, the commitments to the Chamber of Commerce and other items including the Fire Station paid, then there should be a balance of approximately \$22,000.00 as of June 30th. There are no outstanding warrants due the bank as of tonight. "That is the report as briefly as I can make it."

Councilman Powell thanked Mr. Cotton for his cooperation.

Mr. Cotton informed the Council that after each pay day he will make a report. He will also work on the forthcoming budget, and meet with the Council, or anyone else they may designate, as often as desired; and when the tax rate is set and the expenditures arrived at, it should be lived up to. Mr. Cotton believed that a monthly running balance with a submitted report will prove helpful in keeping the City's financial status in hand.

Mr. Frank Selover expressed his desire to ask a question, not as a member of the press, but as a citizen of Torrance and as a taxpayer. He asked how much of the \$61,500.00 had been paid back to the Water Department, and asked if there was any report showing how much money had been received from the Sales Tax and the License Tax and General Tax Funds.

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Mr. Cotton informed Mr. Selover that so far he had not yet had time to analyze the amounts; that the Water Department had been repaid \$8,500.00 of the \$25,000.00 advanced this year; and that the \$45,000.00 which was previously borrowed from the Water Department still remains on the books and has not yet been paid back, but that before the end of June the city will still be solvent.

Mr. Selover again asked how much had been collected from the Sales Tax and the License Tax. Mayor Sherfey explained that Mr. Cotton will make an audit and the figures will be available.

Mr. Cotton advised that as of June 30th a complete analysis of money expended and moneys received will be made; and repeated that as of June 30th the City will receive a complete financial report in detail which will be open for the press to scrutinize.

Mr. Selover apologized to the Mayor and the Council for asking the above questions, but since the Council Chamber was vacant he thought it was all right to ask them.

City Engineer Jain asked the Council how the matter of the sale of the Nursery stock is to be handled, that is in regard to the payment by Mr. Kettler, whose offer to purchase was accepted at a meeting held May 13, 1947.

City Engineer Jain advised that he had received two offers, one from a Los Angeles firm and one from Mr. Kettler, for the 20 K.W. Motor Generator, and that the latter had offered a down payment of \$500.00 and the balance of \$500.00 to be paid in June. Engineer Jain saw no reason for keeping the generator and explained that the City could always rent it. Some discussion followed between City Engineer Jain and Councilman Gilbert in regard to the sale of the generator.

City Attorney Willett informed the Council that as the nursery stock is perishable it should be disposed of as soon as possible, but in regard to the generator, he recommended that the City advertise for bids.

After some discussion on how payments should be made for the nursery stock, Councilman Tolson moved that the nursery stock be sold to Mr. Kettler on the basis of Mr. Kettler's verbal proposal of \$250.00 down and the balance by June 15th. Councilman Jackson seconded the motion, which was carried by the following roll call vote: AYES: COUNCILMEN: Gilbert, Jackson, Powell, Tolson and Sherfey. NOES: COUNCILMEN: None. ABSENT: COUNCILMEN: None.

Councilman Tolson moved that the City Clerk be authorized to advertise for bids for a 20 K.W. Motor Generator, said bids to be opened June 10, 1947 at 8:00 p.m. Councilman Jackson seconded the motion which was carried by the following roll call vote: AYES: COUNCILMEN: Gilbert, Jackson, Powell, Tolson and Sherfey. NOES: COUNCILMEN: None. ABSENT: COUNCILMEN: None.

Mayor Sherfey moved that an appropriation not to exceed \$670.25 be made for the purchase of cement and concrete to be used in repairing the Fire Department Building. Councilman Tolson seconded the motion which was carried by the following roll call vote: AYES: COUNCILMEN: Gilbert, Jackson, Powell, Tolson and Sherfey. NOES: COUNCILMEN: None. ABSENT: COUNCILMEN: None.

The question of rehiring a truck driver (who had recently lost his position during the layoff) for the Street Department to substitute during the vacation period was discussed at this time.

Councilman Gilbert moved that the Council take the matter under advisement and report at the next regular meeting. Councilman Tolson seconded the motion which was carried unanimously.

Engineer Jain inquired if his budget should be based on the present personnel under his jurisdiction. Councilman Jackson replied that if there is any outside revenue which can be secured to take care of Street expenditure, then that should be considered in his budget; otherwise his budget should be on the basis under which he is now operating.

At 6:25 p.m., upon motion of Councilman Gilbert, and seconded by Councilman Tolson, the meeting adjourned.

A. H. B. Paulsen
CITY CLERK OF THE CITY OF TORRANCE

APPROVED:

J. Hugh Sherfy Jr
MAYOR OF THE CITY OF TORRANCE

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