



RAPID TRANSIT PROGRESS

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

"MARTA REPORTS TO THE PEOPLE IT SERVES . . ."

SEPTEMBER 1967
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FINANCIAL PLAN OFFERED

PROPOSES "HAMBURGER-A-WEEK" COST TO LOCAL CITIZEN

Rapid transit can be built at a maximum cost to the taxpayer of 3 mills in Fulton County and 1.6 mills in DeKalb County, according to economic consultants of the Metropolitan Atlanta Rapid Transit Authority. The figures are contained in the final draft of a report by Hammer, Greene, Siler Associates prepared as part of the revision of the 1962 plan for rapid transit for Metropolitan Atlanta. The 1967 revision of the plan is expected to be completed in the next few weeks.

The report shows that the basic 30-mile system, which will cost about \$332 million, can be built with local funds of \$199 million, state funds of \$33 million, and federal funds of \$100 million. The Fulton County share would be \$146,265,000 (73.5%) and the DeKalb County share \$52,735,000 (26.5%). Clayton and Gwinnett Counties would not contribute to the capital construction costs until work is begun on the extensions to complete the 52-mile system when additional federal funds are expected to become available. The Clayton and Gwinnett financial support would include a pro rata share of the costs of the basic system.

"This report shows that the maximum cost of rapid transit in Fulton County to the owner of a \$15,000 house would be \$12.00; the same person in DeKalb County would pay about \$6.40 maximum," MARTA General Manager said. "In Fulton County, this amounts to the price of a hamburger a week, or two or three cups of coffee a week," he told the MARTA Board of Directors at their regular meeting today. "And these amounts would be paid only for about 5 years; the rest of the time the costs would be even lower," he continued.

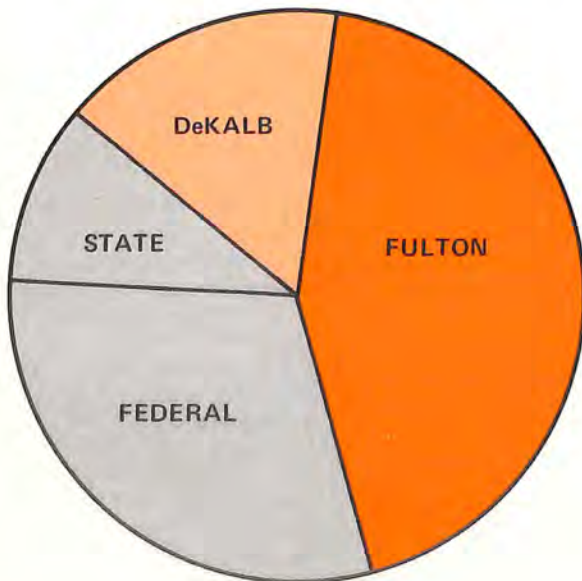
"When Clayton and Gwinnett counties assume their share of the costs, their rate would be a maximum of 1.5 mills, or about \$6.00 a year to the owner of a \$15,000 house," Stuart explained.

"The report of our financial consultants proposes what appears to be a practical and feasible approach to financing construction of the rapid transit system," he said. "Our final plans are taking shape and preliminary engineering is developing well. If a successful referendum can be held in November 1968, we would begin construction in Spring of 1969. If this program develops in this manner," he stated, "we would have the first line operating about the end of 1973 and the basic 30-mile system in service in 1975. The entire 52-mile system could well be in operation before 1980, or in about the same length of time it is taking to complete the perimeter expressway.

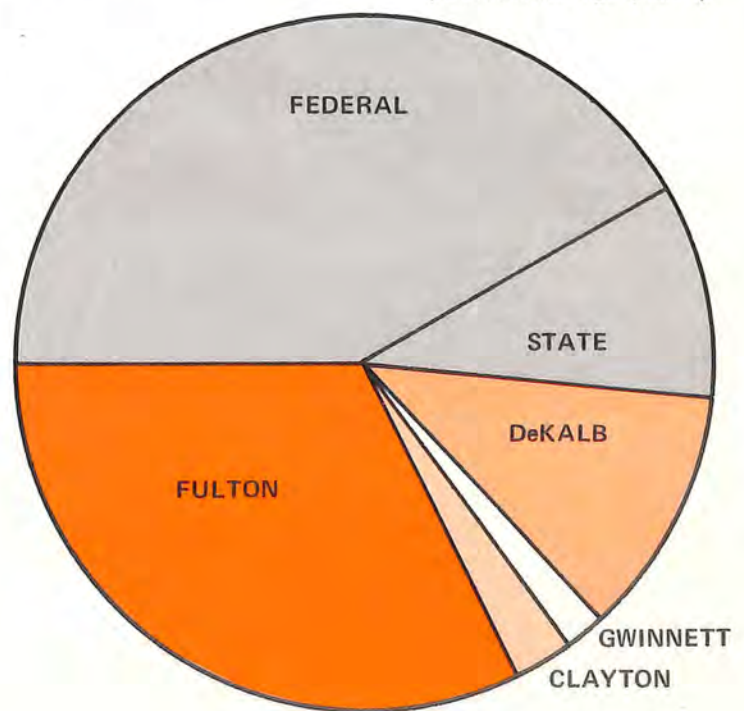
"We need to begin construction as early as possible," he concluded, "since every year's delay costs us \$18 to \$20 million thru inflation and increased construction costs.

The basic 30-mile system would have 24 stations and would run from Brookhaven to College Park and from Decatur to Lynhurst Drive near I-285 on the west, with a northwest stub to Northside Drive. The electrically-driven, air-conditioned cars would operate at maximum speeds of 70 miles per hour, averag-

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\$332 MILLION
(30 Miles)



\$479 MILLION
(52 Miles)

THIS MANY CARS PARKED HERE...



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ing about 40 miles per hour including station stops. Trains would run as often as every 90 seconds during rush hours. The commuter will ride to Transit Center, just a block from Five Points, in about 13 minutes from Brookhaven, 9 minutes from Decatur, and about 13 minutes from College Park.

... COULD REMOVE MANY CARS FROM HERE

American Transit Association Convention—October 22-26, 1967, Regency-Hyatt House, Atlanta. The ATA has as members only those operating transit systems (railroads, bus lines, rapid transit, etc.)



An important factor in attracting commuters from their cars to rapid transit is the "Park-N-Ride Principle," according to a noted transportation expert.

George L. DeMent, Chairman of the Board of the Chicago Transit Authority, recently discussed the importance of parking facilities in connection with rapid transit stations. Referring to the new Skokie Swift extension to the Chicago rapid transit system, he said, "The 522 Park-N-Ride spaces provided at the outer Dempster Street terminal has proved to be a major factor in the success of Skokie Swift. This Park-N-Ride is used to 100 per cent capacity every weekday. It is obvious to the Chicago Transit Authority that the patronage of the highly successful Skokie Swift operation would be increased automatically if additional parking spaces could be provided at the Dempster Terminal. Similar examples could be cited for the Park-N-Ride lots along other Chicago lines."

DeMent noted that "the Cleveland Transit System has given emphasis to Park-N-Ride. Seven 'Rapid' stations have been provided with 5,218 free parking spaces...Additional parking spaces soon will be provided along the airport rapid transit extension now under construction." He quoted a survey which "indicated that parking spaces are being used at a rate of 1.3 cars per day, and that each car carries an average of 1.2 passengers.

He says further that "the Toronto Transit Commission will provide parking spaces for 3,000 cars at three stations along the Bloor Street subway extension now under construction, with

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METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

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"DIRECTED BY THE GEORGIA STATE LEGISLATURE TO DEVELOP A RAPID TRANSIT SYSTEM FOR THE 5-COUNTY METROPOLITAN ATLANTA AREA."

Edited by KING ELLIOTT



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CITY PLANNING AND RAPID TRANSIT

The American Institute of Planners has a strong interest in the development of a rapid transit system for the Atlanta Metropolitan Area. The specific interest in MARTA and its proposed system is related to the "balance" and relationship of the transit network to the rest of the metropolitan area and to the total transportation system of the metropolitan area—as it exists and is planned.

The planner is concerned with the relationships that will be an outgrowth of the system. What impact will MARTA lines have on public and private property? Which areas will be likely to develop because of a MARTA installation—a station, for instance? Will the system be sensitively related to neighborhoods and business areas, or industrial areas? How? Will the system put stations in places where other planning and development activities provide an opportunity to "multiply" the effect of the investment in transit by an investment in urban renewal, or a college, or a new business area, or a special school? Can better relationships be established between elements of the transit system and the environment?

The planning profession is interested in the general and the comprehensive dimensions of the city and the metropolitan area. Therefore, the planning interest in the transit system will extend beyond the tracks and the stations, into a concern for nearby property—and, more important, property that is not so near. The planning concern for all of the Atlanta area is oriented



Richard M. Forbes

to maximizing the livability of our "place," and deals equally with the areas impacted and not impacted. In the areas being served (giving the word "impact" a positive tone) the planner is likely to seek to make the favorable impact more favorable, more utilitarian, more significant to the area in terms of its present and future role in the city, whether this role is related to change, redevelopment, more intensive development, new uses or no change.

The planning attitude about any public or private investment is based on what the facility will mean to people in their environment. What will it mean to citizens as they travel to and from work, to recreation, to shopping? This is one level of concern. What it will mean to people at home, if they live near the transit line, is another concern. For example, will it cause an unpleasant industry to develop nearby?

The planning concern reduces itself to a concern for our city, our place, our environment. The planner wishes to make Greater Atlanta the best possible place in which to live and work. He consequently sees transit as a marvelous opportunity to use a large public investment as one of the elements that will help to do that. However, transit will make a positive contribution only if it is very carefully related to each part of the area and to other projects and plans so that the system is balanced. This relationship to the whole is of prime importance.

Richard M. Forbes, Assistant Professor of Real Estate and Urban Affairs at Georgia State College, is a member of the MARTA Advisory Committee, representing the planning profession. He is a member of the American Institute of Planners, and other professional groups.

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additional spaces planned for the Yonge Street Subway Extension just authorized. The new 10-mile extension in South Jersey will provide nearly 5,000 parking spaces at six locations with provision for future expansion. Over 16,000 parking spaces at 23 stations will be provided along the 75-mile rapid transit system being built in San Francisco.

Quoting DeMent, "There is no longer a question of the need for such facilities. It is only a question of how much parking should be provided for any given rapid transit installation."

The system being designed for the Atlanta area will include adequate parking facilities at suburban stations.

MARTA TALKS... AND LISTENS

The story of rapid transit plans for Metropolitan Atlanta is finding interested audiences throughout this area. Between the first of June and mid-September, the MARTA directors and staff talked to some 1700 members or more than 30 civic and other groups, illustrating the MARTA story with slides or motion picture films. In addition, many other discussions were held with city and county officials, planning departments, state legislators, and citizen groups such as Chambers of Commerce and Central Atlanta Progress. After the formal presentations, the meetings were generally opened for questions. In the picture below, Henry L. Stuart, MARTA General Manager, is listening to a question being asked by a member of the Atlanta Civitan Club.



A MARTA display depicting progress in the development of rapid transit was part of the fifth Annual Fall Sale at Jamestown Shopping Center in College Park recently. The event was sponsored by the College Park Jaycees in cooperation with merchants at the shopping center.

The MARTA display shows the location of Transit Center in downtown Atlanta, and the various lines considered for rapid transit routes.

The display back of College Park Jaycee President Paul Green shows in the upper left corner a cutaway view of how Transit Center might be designed, with escalators connecting the two levels of trains with the sidewalks above.

The lower left corner contains typical site development plans for the four levels of Transit Center while in the lower right corner is a map locating Transit Center in relation to downtown streets.

The map in the upper right corner shows the areas in which the routes and stations will be located. Routes as planned in 1961, 1962, and 1966-7 are variously indicated.

The display back of Joan Eschenbrenner, MARTA secretary, features a large aerial photo of downtown Atlanta and pictures of various major building developments now under way near rapid transit stations.

The MARTA exhibit aroused many enthusiastic comments from those who viewed it.



MARTAnswers

QUESTION: Why is MARTA planning to use the old-type steel-wheel and steel-rail system instead of something new, like monorail?

ANSWER: In the first place, monorail is not new or modern. As shown in the picture below, monorail has been around a long time—70 years or so. A short monorail line has been operating across a river in Germany since 1906.

The major reason for not using monorail, however, is simply that no monorail system has ever been a commercially successful operation in moving numbers of commuters.

In recent years, short, relatively simple monorail systems have been built in Paris and Tokyo, and others have been used in World's Fairs in Seattle and New York, and at Disneyland. These small operations, however, do not meet MARTA's design requirements to transport commuters at 70 miles per hour in capacities approaching 30,000 passengers per hour.

There are other problems relating to cost, engineering, construction, and route location:

Both the top-supported (suspended) and bottom-supported monorail systems are more expensive to construct system-wide than the conventional steel-wheel steel rail system. The top-supported monorail requires the support structure throughout the system, whereas MARTA's plans call for only 3½ miles of aerial structure. The top-supported monorail requires a much larger tunnel for subway where subway is essential. Trying to eliminate the monorail subway brings us back to the problem MARTA faced all along—where to put the routes through downtown Atlanta without using subway. There is no feasible surface route for either system.

MARTA ACTION

The Board of Directors at its September 5 meeting heard a report on a financial study by Hammer, Greene, Siler Associates, Inc. No action was taken on the report.

No official action was taken by the Board since a quorum was not present.

The next meeting of the MARTA Board of Directors will be Tuesday, October 3, 1967, 3:30 p.m., Room 619, Glenn Building, 120 Marietta St., N.W.

The bottom-supported system would be somewhat more expensive for grade and aerial structure than the steel-wheel steel rail system, and considerably more expensive for subway because of the larger tunnel required.

If expense were not the major factor it is, the question then arises, "what would monorail give you that the conventional system would not provide?" The answer is "nothing." The monorail is slower, has higher operational costs, and does not provide as comfortable ride. During the past 70 years, engineering problems relating to monorail have not been satisfactorily resolved. These include switching, high speeds (70 to 80 MPH), sway, and other technical problems.

These and other disadvantages may eventually be resolved, but no solution is in sight. By contrast, the dual rail system solved these and many other engineering and operational problems years ago. The dual-rail system will definitely provide what is needed in this area: 70 MPH speeds, safety, comfort, and convenience at less cost than any type monorail. Using a known and proven technology means MARTA will be able to bring the system into operation at the earliest possible time. This is our goal.—Henry L. Stuart, MARTA General Manager



MEIGS COLLECTION, Yale University Library — MONORAIL, 1887 VERSION — Joe Vincent Meigs (second row, sixth from right) patented this early "monorail" in 1873. The running wheels were tilted at 45 degree angles; horizontally -mounted steam-driven wheels running on an up-

per set of rails provided propulsion. The Philadelphia City Council visited the 1,114-foot long test track in East Cambridge, Mass., in 1887. The revolutionary Meigs railway did not gain acceptance, however; and the company failed a few years later.



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SEPTEMBER 1967 · VOL. 2, NO. 9

FINANCING THE CONSTRUCTION OF
ATLANTA'S RAPID TRANSIT SYSTEM

The capital costs of Metropolitan Atlanta's rapid transit system clearly must be financed by funds obtained from sources beyond the fare box. The system can generate enough operating revenues to cover operating expenses and maintenance and to finance the purchase of the basic rolling stock and operating equipment. For the capital costs of the system, however -- the tracks, bridges, stations and other elements of the fixed investment -- rapid transit in Metropolitan Atlanta must look to the local governments of the area and to Federal and state sources.

This is, of course, normal. Rapid transit systems are basically public enterprises operating public facilities comparable to streets and schools and performing essential public services. Although unlike streets and schools in that they produce operating revenues, few systems yield enough net returns to make any substantial contribution to basic costs of the fixed investments. Some systems do better than others but all share the characteristic of being public service enterprises that require direct public support if they are to meet public needs.

In the following section, all aspects of the local financing of the capital costs of Metropolitan Atlanta's rapid transit system will be explored. The underlying premise to be reiterated is that the public nature of the rapid transit enterprise calls for the public assumption of responsibility for paying for the fixed investment. This premise has already been clearly recognized locally and indeed was assumed in the creation of MARTA and in the legislation providing for MARTA's support and operations.

Basic Premises of Analysis

This financial analysis is concerned only with the areas embraced by the four counties of Fulton, DeKalb, Clayton and Gwinnett (including the City of Atlanta). Although other parts of the report describe a five-county area that includes Cobb County, the financial analysis excludes Cobb which is not presently participating in the MARTA program.

In analyzing the financial aspects of the projected rapid transit system of Metropolitan Atlanta, three basic premises have been established:

1. That the major share of the financial responsibility for building the system will be assumed by the local governments, with a minimum dependence upon financial help from the outside;
2. That the basic target will be the construction of a 30-mile system capable of achieving the major part of the goals set for rapid transit in the area;
3. That a policy will be adopted that will provide for an extension of the basic system to 52 miles later if and when additional funds become available from non-local sources.

Primary Local Commitment. It can be taken as a basic assumption that Metropolitan Atlanta's rapid transit system must -- and will -- get some aid from both Federal and State sources. The primary responsibility for financing this system, however, cannot be shifted away from the local governments. In developing a financial plan for the Metropolitan Atlanta system, the approach must be to make the most realistic possible estimate of funds that can be expected from Federal and state sources and then to test the feasibility of producing the remaining funds from the local sources.

It is not possible accurately to predict how much Federal money might become available. It is hypothetically possible under Federal formulas that two-thirds of the cost could eventually be paid for by Federal funds but there are grave uncertainties as to when such funds might be made available, if at

all at that scale. Moreover, under present regulations Federal funds can be committed for only two years at a time.

The truth is that the amount available from the Federal government for rapid transit purposes in the immediate future will be limited. Despite talk of potentially massive Federal outlays for this purpose, there is no evidence that such funds are imminent. The pressure of the Viet Nam war and the rising demands for Federal funds for other urgent urban problems make it unreasonable to assume any large-scale availability of funds. Because of its head start in rapid transit planning, Metropolitan Atlanta is assured of its share of the Federal funds that do become available but these funds must supplement what is raised locally rather than represent the basic share -- at least in the immediate future.

As to assistance from the state, the people of Georgia in November 1966 approved a constitutional amendment declaring public transportation to be an "essential governmental function and a public purpose for which the power of taxation of the state may be exercised and its public funds expended". The amendment provided, however, that the State of Georgia shall not provide more than 10 percent of the total cost of a public transportation system, either directly or indirectly. For purposes of planning, it is reasonable to assume that the state will indeed contribute 10 percent of the cost of the Atlanta system. This still leaves the main burden on local shoulders. This is the way in which the operating rapid transit systems in other big U.S. cities have been built -- primarily with local funds. On the other hand, the existence of the Federal program is itself testimony to a clear recognition that new rapid transit systems in the future are not likely to be built without some of the costs being shared at the Federal level. The burden on the local governments is too great on top of mounting demands for a whole range of other services and facilities.

It can be hoped that large-scale Federal funds might eventually be made available for this purpose in Metropolitan Atlanta. However, to plan on

this basis would invite disappointment and even disaster if this hope were not realized -- and would also represent a denial of the high priority that the public has already put upon rapid transit through its approval of the MARTA program so far.

Commitment to Full-Scale System. A 30-mile basic system has been designed that covers the heart of the metropolitan area in which are located the greatest concentrations of people and jobs, the highest densities of development, and the corridors of heaviest traffic congestion. An initial commitment to a system of less capabilities would not move the area toward a practical solution of its desperate circulation problem.

As already described in this report, the 30-mile system would extend between Brookhaven on the north and the Tri-Cities on the south, Decatur on the east and Lynhurst Drive on the west, with spurs off to the northwest and northeast. This basic system would not reach into the suburban areas of Clayton and Gwinnett counties. It will cost approximately \$332,000,000 to build, assuming that construction gets underway in 1969.

Flexible Development Policy. The third premise, which relates to future expansions of the system as additional non-local funds become available, calls for a flexible future policy. The key factor is the future availability of Federal funds. If the decision is made to move ahead with the 30-mile system assuming minimum Federal participation, another decision can be made later to go to the 52-mile system (which would push rapid transit lines into Clayton and Gwinnett counties) if sufficient Federal funds become available to match expanded local funds. Later, if and when Cobb County decides to participate in the program, the decision can be made to go to the 63-mile five-county system as further funds become available.

As noted earlier in this report, the 52-mile system would cost \$479,000,000. (This system would include extensions to the basic 30-mile system within the two central counties as well as extensions outward to the suburbs.)

To summarize the foregoing, this analysis of financing will be concerned basically with two rapid transit systems:

The basic 30-mile system which will cost \$332,000,000, operate only in Fulton and DeKalb counties, and be financed on the assumption of minimum Federal and state assistance.

The overall 52-mile system which will cost \$479,000,000, extend out into Clayton and Gwinnett counties, and be undertaken beyond the 30-mile system as more Federal money becomes available to match state and local funds.

Allocation of Local Costs

In determining the proportion of the local share of MARTA's capital costs that should be allocated to each of the participating local governments, the objective should be so far as possible to develop a formula based on the benefits that the system will provide to each jurisdiction. It is not difficult to identify the overall kinds of benefits that such a system might produce; the problem is to determine how these benefits might be distributed and measured geographically throughout the metropolitan area. Up to now, no rapid transit system has been able to define these benefits in any precise way on an area-by-area basis.

The evidence of the overall value of rapid transit to a metropolitan area is unmistakable. The costs of moving people by transit is considerably less than by expressway. Reduction of highway and street traffic through provision of transit facilities saves time for individuals and businesses and means heavy savings in public costs for maintenance of transportation facilities. New tax values are created along rapid transit rights-of-way. Valuable land is preserved that would otherwise be taken for expressways. The availability of jobs to the local population is increased and wider choices of employment are permitted. The destructive and costly effects of continued urban sprawl are lessened as close-in densities are increased. In short, overall efficiency of the metropolitan area is improved and each jurisdiction shares in the benefits and advantages.

Setting each jurisdiction's specific share of the benefits, however, is not subject to easy measurement. There are different transit mileages in each area, different patronage levels, different initial costs, different impacts in terms of both savings and tax values, different effects on area growth. It can be argued that each benefit to a jurisdiction can be offset by a liability. The transit system may generate large new tax values along its rights-of-way in the central city but at the same time make possible a diffusion of employment centers and population to other areas. The system may accelerate growth in suburban areas but this can create vast new demands for public services and facilities as well as new tax values. A rapid transit system can take property off the tax rolls as well as add tax values, and it can potentially blight the neighborhood as well as create substantial new environments.

The overriding fact is that rapid transit benefits the metropolitan region as a whole. A fast-growing region the size of Metropolitan Atlanta will not be able to function efficiently without a balanced transportation system that includes rapid transit.

The internal linkages within the metropolitan area must be particularly recognized. The efficient operation of Downtown Atlanta, for example, has a direct importance to all parts of the metropolitan region. The functions of this central business district in one way or another have a critical bearing upon every major industrial investment in the entire region, and these industrial investments in turn support widely scattered commercial and residential investments.

A rapid transit system accentuates and increases the efficiency of the internal linkages in a metropolitan area. A formula to allocate the costs of such a system within the area, therefore, must be based upon some common-sense indexes that measure each jurisdiction's relative size and function in the region and its proportion of the region's wealth and its relative pattern of growth. The benefits of a rapid transit system will be reflected in each jurisdiction's participation in the area's overall economic and land use development.

A fair and equitable formula for allocating rapid transit costs must be based on indexes that measure three essential factors -- relative intensity of useage, relative capacity to pay, and relative economic development impact. Three sets of measurements -- population, property tax digest and employment -- would most clearly reflect these basic considerations. None of these indexes by itself would provide the basis for a fair and equitable cost distribution, but the absence of any would prejudice the fairness of the allocation formula. These three elements have the additional merit of being simple and measurable by basic data that can be readily obtained, well documented and authenticated from official sources.

Two additional considerations would appear essential. One is the importance of taking future as well as present patterns into account. This can be accomplished by getting two sets of figures for each element -- a figure for the present (using 1965 as the base year for which data can be verified) and a projected figure for a future year. Inasmuch as official forecasts have been made of both population and employment for the year 1983 by the Atlanta Region Metropolitan Planning Commission (in connection with the Atlanta Area Transportation Study), this year can be used for the future date (by which time, incidentally, the rapid transit system would presumably be in operation). The property tax digests utilizing in part these population and employment figures can be projected for the same year. All three elements can therefore be put into the formula with well documented present and future components.

The other consideration is the need for assigning different degrees of importance to each of the basic factors. This is done by giving a different weight to each element in the allocation formula. This weighting is accomplished by constructing percentage distribution tables to show each county's share of each element (population, tax digest and employment) and then including each table once, twice or three times to reflect its relative importance in the formula.

It was determined that employment should be given the greatest weight (3) because it most nearly measures the economic strength of the various jurisdictions. Employment means investments, payrolls, purchases and sales, and the employment index is a fair measure of economic activity. Apart from the convenience factor, the greatest benefit derived by a local government from an efficient transit system would come from the maintenance and expansion of its economy. The area with the heaviest employment would have the most to gain from the system and would generate the largest capacity to finance it.

The property tax digest -- the assessed value of real and personal property put on a comparable basis at 100 percent of market value in each jurisdiction -- would be given the next highest weight (2). The property tax digest also reflects ability to pay on the part of the governments and in addition helps to measure the potential impact of the system on physical growth. Each of the county governments in Metropolitan Atlanta rely heavily upon the property tax and all are now required to maintain their assessments at roughly 40 percent of market value.

In the formula, population would carry the basic weight of one (1). Transit patronage would of course bear some direct relationship to population. However a formula giving a heavier weight to population would penalize outlying areas whose level of transit ridership would probably not carry the same relationship to population as patronage levels in the close-in areas where residential densities near the transit corridors would be more intense.

In Table 1, these three basic factors are set forth in statistical form in terms both of the actual numbers and of the percent distributions among each of the four counties participating in the MARTA program. These figures are shown for a present (1965) and a future year (1983).

The proposed allocation formula is the composite index that combines all of these factors at the assigned weights. It is expressed in terms of the percentage share of total capital cost that would be allocated to each jurisdiction, as follows:

Table 1. ELEMENTS IN RECOMMENDED FORMULA FOR ALLOCATING MARTA CONSTRUCTION COST AMONG LOCAL COUNTIES, ACTUAL 1965 AND PROJECTED 1983

	Population (1)			
	Numbers (000)		Percent	
	1965	1983	1965	1983
Fulton	587.4	861.0	57.1%	50.5%
DeKalb	319.6	582.7	31.1	34.2
Clayton	69.2	153.3	6.7	9.0
Gwinnett	52.1	107.1	5.1	6.3
Total	1,028.3	1,704.1	100.0%	100.0%

	Tax Digest (2)			
	Amount (000,000)		Percent	
	1965	1983	1965	1983
Fulton	\$ 3,959	\$10,360	63.1%	56.1%
DeKalb	1,778	5,848	28.4	31.7
Clayton	350	1,437	5.6	7.8
Gwinnett	184	816	2.9	4.4
Total	\$ 6,271	\$18,461	100.0%	100.0%

	Employment (3)			
	Numbers (000)		Percent	
	1965	1983	1965	1983
Fulton	349.6	556.1	78.8%	72.6%
DeKalb	68.1	147.3	15.3	19.2
Clayton	18.2	40.1	4.1	5.3
Gwinnett	8.0	22.4	1.8	2.9
Total	443.9	765.9	100.0%	100.0%

NOTES: Relative weights used in totaling percentages in the allocation formula are shown in parentheses. Both 1965 and 1983 percentage figures are weighted accordingly. The property tax digests were put on a comparable basis for each jurisdiction (100 percent of market value).

Proposed allocation formula:

Fulton County	66.7%
DeKalb County	24.1
Clayton County	5.9
Gwinnett County	<u>3.3</u>
	100.0%

Each figure shown in Table 1 was calculated on the basis of extensive research utilizing all available data from official sources. However, it was necessary to use independent judgment in arriving at some of the estimates, particularly the forecasts for future years, and the responsibility for them rests solely with the consultant. All of the data used can be documented and the methods can be easily tested and evaluated.

As noted earlier, the basic 30-mile system would lie entirely within the boundaries of Fulton and DeKalb counties. It would therefore seem reasonable to limit the local responsibility for this system to these two jurisdictions. As soon as the decision is made to extend the system to its full length of 52 miles, the participation of Clayton and Gwinnett counties would be assumed. Presumably they would then be asked to pay their full shares of the total system called for in the formula, including their pro rata parts of the 30-mile basic system whose construction would get underway before their financial involvement.

The breakdown of financial responsibility between Fulton and DeKalb counties in connection with the 30-mile basic system, based upon the same factors set forth in Table 1, would be as follows:

Fulton County	73.5%
DeKalb County	<u>26.5</u>
	100.0%

Clearly there is room for differences of opinion about the elements selected for inclusion in the allocation formula and about the relative weights assigned to each. On balance, however, the formula would appear to be fair and equitable. Although some obvious elements might be considered for addition -- such as, for example, projected patronage levels used by the

engineers in station location, mileage or linear feet of track built in different jurisdictions, and potential land development prospects along transit rights-of-way -- the measurement of these elements is likely to be highly speculative. After considering them, it was determined that a simpler and more easily documented set of measurements would be more satisfactory.

Financing the Basic System

As already noted, the 30-mile basic system proposed as the minimum construction program for Metropolitan Atlanta would cost an estimated \$332,000,000 to build. The full capital cost of this system must come from provided funds -- that is, funds not generated from the operation of the rapid transit system itself.

The first assumption to make in developing a financial plan for meeting the capital costs of Metropolitan Atlanta's rapid transit system is to make a specific estimate of the availability of Federal funds. The current Federal appropriation supporting mass transportation planning and programming throughout the United States is for \$175,000,000 per year, effective through the fiscal year ending June 30, 1968. There is a 12½ percent ceiling on what any one state might receive out of this appropriation. If MARTA operations were now underway, it might be expected that a large part of Georgia's share -- perhaps as much as \$20,000,000 -- might be available from Federal sources.

It has been estimated that Federal appropriations for mass transportation will have to reach the level of at least \$500,000,000 per year to provide any substantial assistance to the cities and metropolitan areas that are building or expanding their mass transit systems. The intense fiscal pressures caused by the Viet Nam war and other heavy demands upon the Federal treasury, however, have resulted in a deferral of any programming at this level. It is hopefully anticipated that funds made available by Congress for mass transportation for the two fiscal years beginning July 1, 1968, and extending through June 30, 1970, would be in the range of \$200,000,000 a year. Prospects appear fairly optimistic at this stage.

Using this estimate it might reasonably be assumed that MARTA would be in a position to request and receive as much as \$25,000,000 per year in the calendar years 1969 and 1970 from Federal sources, if voter approval has been given in the meantime and local funds committed. This would mean that a basic \$50,000,000 in Federal funds might be counted on as a minimum.

How much more Federal money might subsequently be made available is of course speculative. It might be assumed, however, that at least an additional \$50,000,000 might be forthcoming following the initial allotments in the 1969 and 1970 fiscal years. Even if Viet Nam or other international crises remain, it is reasonable to expect that the present level of appropriations for mass transportation will continue. If the international situation clears up, there could be a sharp increase in Federal funds for mass transportation in line with current thinking. In short, there is probably little chance that current levels of appropriation will be cut back and there is a good chance that large outlays might become available.

In light of these considerations, it would appear reasonable to anticipate that at least a second \$50,000,000 might be obtained from Federal sources for MARTA's basic 30-mile system. As a conservative approach, the availability of \$100,000,000 in Federal funds might be taken as a given for local fiscal planning. This would provide considerably less than the hypothetical two-thirds of total cost that the Federal government might be expected to provide, but it would be a substantial contribution.

Another important assumption relates to the availability of state funds. As already noted, mass transportation has already been declared to be a public purpose in Georgia for which state funds might be made available, although not more than 10 percent of the cost of a local rapid transit system might be borne by the state. The General Assembly earlier in 1967 appropriated a sum of \$500,000 as a contribution against the planning and other pre-operating expenses of MARTA.

The subsequent availability of the state money, of course, rests entirely with the legislature. It might be reasonable to expect, however, that the legislature will see fit to contribute the full 10 percent of the cost of Metropolitan Atlanta's rapid transit system if and when it is approved by the voters. The precise way in which these state funds might be made available is not yet clear -- through direct appropriations, through the channels of some existing authority, or in part through the donation of state-owned lands for transit rights-of-way -- but the strong public sentiment behind rapid transit in Atlanta should assure the state's maximum participation. For purposes of fiscal planning, therefore, it might be assumed that as much as \$33,000,000 will be made available against the total capital cost of the 30-mile basic system in Metropolitan Atlanta.

Assuming that Federal and state funds are made available as indicated, the local share of the basic system would be approximately \$199,000,000 and the distribution of capital costs by sources would be as follows:

	<u>Amount</u>	<u>Percent</u>
Local	\$199,000,000	59.9%
State	33,000,000	10.0
Federal	<u>100,000,000</u>	<u>30.1</u>
	\$332,000,000	100.0%

For planning purposes, it might be assumed that the Federal funds would be made available in four consecutive annual payments of \$25,000,000 each. It might also be assumed that the state's contribution would be made available on a uniform basis, with the availability of these funds extending over the nine-year period of construction. Of course, the pattern of availability may be different from that indicated here, but these might be taken as reasonable assumptions.

Issuance of Local Bonds. Local funds would be made available in the form of bonds issued as appropriate to meet the projected drawdown schedule of construction costs set up by the engineers. As provided in the MARTA

act these local bonds might be of two kinds: 1) bonds issued by MARTA itself based upon the local governments' underwriting the payment of principal and interest; and 2) general obligation (GO) bonds issued by the local governments against their own bonding capacities with the proceeds turned over to MARTA in lump form. In either case, the funds would be made available to MARTA under contractual agreements with the local government setting the relative shares of MARTA's total obligations to be assumed by each government, the ceilings upon local obligations that might be stipulated, and other terms and conditions providing for maximum flexibility while protecting the interests of local taxpayers.

The final scheduling of local bond issues for the rapid transit system, of course, will undoubtedly be quite different from any preliminary fiscal planning that might be done. The timing and dimensions of each issue (either of MARTA's bonds or of GO bonds issued for rapid transit by the governments directly) will involve many factors including the current status of the bond market, the scheduling of other local government issues and obligations, the actual amounts made available by state and Federal government at any one time, and possible variations in the drawdown schedule.

For preliminary planning purposes, however, the schedule of local bond fund needs related to fund availability from other sources can be set up as follows for the projected 30-mile basic system:

Table 2. POTENTIAL SOURCES OF CAPITAL FUNDS FOR
THE 30-MILE RAPID TRANSIT SYSTEM
(000,000)

	<u>Drawdown^{1/}</u> <u>(cumul.)</u>	<u>Availability of Funds</u>				<u>Cumulative</u>
		<u>Federal</u>	<u>State</u>	<u>Local 2/</u>	<u>Total</u>	
1969	\$ 25	\$ 25	\$ 4	\$ 25	\$ 54	\$ 54
1970	54	25	4		29	83
1971	102	25	4	35	64	147
1972	158	25	4		29	176
1973	207		4	50	54	230
1974	258		4		4	234
1975	298		4	50	54	288
1976	320		4	30	34	322
1977	332		1	9	10	332
		\$100	\$33	\$199	\$332	

1/ Preliminary schedule of needs for land purchase and construction established by the engineers.

2/ MARTA revenue bonds supported by local government underwriting or general obligation bonds of local governments issued for rapid transit purposes.

It is noted that the above schedule of fund availability, as preliminarily set forth, does not directly match the schedule of fund needs. Both sets of figures are necessarily tentative and preliminary and will be altered in the course of time. The development of such a base table is necessary, however, in order to set the general dimensions of the financial impact of MARTA operations upon the local governments. Bond issues are tentatively sized and spaced to meet anticipated conditions in the bond market as well as provide the funds as needed. In practice, there may be more issues of smaller sizes or fewer issues of larger sizes than indicated in this preliminary table.

These projected local bond issues must then be translated in terms of annual carrying charges for which the obligation would fall upon the local governments under the sharing formula discussed earlier. It is assumed that the local bonds (either MARTA revenue bonds or GO bonds of the local governments) would be 30-year issues. Despite contracts with the local governments

under which MARTA's issues would be underwritten with pledges of property tax levies to support the obligation, it is anticipated that MARTA's revenue bonds would carry a somewhat higher interest rate than general obligation bonds issued directly by the local governments. Bond advisors agree that a spread of perhaps one-half of one percent should reasonably be assumed. In these calculations, therefore, the interest rate on the MARTA revenue bonds is set at 4½ percent and the rate on GO bonds at 4 percent per annum.

The annual cost of carrying rapid transit bonds issued at the local level are shown in Table 3.

Table 3. ANNUAL CARRYING CHARGES OF RAPID TRANSIT BONDS, ALTERNATIVE METHODS, METROPOLITAN ATLANTA

	<u>Principal Amount of Bonds</u>	<u>Annual Costs^{1/}</u>	
		<u>MARTA Issues</u>	<u>GO Issues</u>
1969	\$ 25,000,000	\$ 1,824,000	\$ 1,720,000
1970		1,824,000	1,720,000
1971	35,000,000	4,380,000	4,127,000
1972		4,380,000	4,127,000
1973	50,000,000	8,030,000	7,567,000
1974		7,725,000	7,279,000
1975	50,000,000	11,376,000	10,719,000
1976	30,000,000	13,137,000	12,378,000
1977	9,000,000	13,792,000	12,995,000
1978		13,180,000	12,419,000
1979		13,180,000	12,419,000
1980		12,569,000	11,843,000
1981		12,206,000	11,501,000
1982		12,099,000	11,400,000

(Level payments continuing until bonds are retired)

Total	\$199,000,000	\$362,986,000	\$342,020,000
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^{1/} Amortization (principal and interest) charges of all outstanding bonds for rapid transit under the two alternative methods of financing MARTA's capital costs.

It is noted that the annual cost of servicing these bonds drops off after 1977 (the date of the last issue) and declines to a level amount in 1982. This is because a sinking fund reserve is provided for in each of the first five years of each issue amounting to 20 percent per year, and at the end of five years each issue then reverts back to a level payment to maturity. In effect, six years of payments are made in the first five years of each issue, and the amortization period is actually 29 instead of 30 years. The level payments after 1982 would continue through 1997 at which time they would drop off as the 1969 issue is retired and so on until all issues are paid off.

Impact on Local Governments

Clearly the assumption of an additional \$199,000,000 worth of rapid transit bonds by the local governments would be a heavy additional burden. The full responsibility for financing the capital costs of the 30-mile basic system would fall upon Fulton and DeKalb counties, with Clayton and Gwinnett taking up their shares of the cost only if the system is extended outward to its full 52 miles.

A great deal of research has been undertaken to determine the future prospects for local government finance in the Metropolitan Atlanta area. Forecasts have been made of future operating and capital needs of the local governments and of future revenues from all existing sources. In addition, potential new revenue sources have been thoroughly researched.

All local governments face a cost-revenue squeeze in the future. The range of public services being offered is widening and the unit costs of providing these services is rising. In Metropolitan Atlanta, the upward spiral of local government costs in part reflects the area's emergence as a major urban center where public service costs are generally higher because both the quality and quantity of local public services are clearly superior.

The financial problems of the City of Atlanta are particularly acute. The heavy burdens of central city problems coupled with the less-than-proportional increase in revenues from existing sources have resulted in real difficulties. Atlanta is not unlike other major cities in this regard, however. The spill-over of population and industry into outlying areas, the growing obsolescence of parts of the central core, the increased congestion of central

city activity and the growing demands for high-quality services commensurate with big city status have all been important factors in Atlanta's financial difficulties.

Dictus

Local counties have been also impacted, and prospects are for much more serious financial pressures in the future. Although most of Fulton County's urban development is within the city limits of Atlanta, a major expansion of outlying population is forecast with a predictable increase in demand for services and facilities. The costs of providing county-wide services such as health, welfare, and court activities are out-running the growth trends in revenues. DeKalb County is basically a "municipal county" providing the full range of city services, and there will be pressures for future tax increases and new sources of revenue if first-class public services will continue to be provided. The outlying counties of Clayton and Gwinnett face the same financial pressures that have already beset fast growing suburban counties in other large metropolitan areas.

It is a fact of simple arithmetic that the local governments in Metropolitan Atlanta will need increases in existing tax rates (which means primarily the property tax) or completely new sources of revenue or both in the years ahead. Efforts to get a sales tax for local governments in Georgia failed at the last session of the General Assembly but there will continue to be persistent pressures from the state's cities and urban counties.

The local situation is by no means bleak, however. Although tax increases and new revenue sources are both indicated, two favorable factors are clearly present: 1) the area is rapidly increasing its income and wealth and hence its capacity to pay for expanded and improved public services; and 2) the present tax burden in the area is not high compared with the tax load in other major urban centers. The local area has undoubtedly reached its limits in certain types of levies but not in others. If the people of the area want more and better local government services, they can afford them.

Reliance on Property Tax

Studies indicate that financing rapid transit in Metropolitan Atlanta will clearly call for new revenue sources or additions to existing taxes. It would appear logical -- and it is hereby recommended -- that the local governments' support of MARTA's rapid transit system be achieved through an increase in the tax on property.

There are three basic reasons for this recommendation:

1. The property tax is already available as a source. No additional legislation would be required to tap it for rapid transit financing. The local governments will probably succeed in their efforts to get additional sources of revenue in the days ahead -- a sales tax, a payroll tax, an income tax or some other new source -- but the timing is uncertain and the need for a definite financial plan for rapid transit is immediate.
2. Even when new sources of revenue are made available to the local governments, the proceeds will be needed for other purposes apart from rapid transit -- expanded current operations of the governments and of the school systems. As already noted, studies demonstrate the need for new sources of revenue whether or not property tax rates are raised for rapid transit or other purposes.

The property tax is not unduly burdensome on local taxpayers in Metropolitan Atlanta. The local property tax could be substantially raised and still be safely within the margin of reasonableness and economic feasibility.

3. The contracts under which the local governments would underwrite the revenue bonds issued by MARTA (if that is the financing method that is adopted) might need to contain a pledge of a specific millage rate against local property if the MARTA bonds are to find the most favorable market when offered for sale. Bond advisors suggest that this pledge of a property tax levy might help to assure the proper market reception of these bonds at a money-saving interest rate. General obligation bonds issued by local governments in behalf of MARTA, of course, would also be retired by property tax levies.

As already indicated, there will be pressures for additional property tax increases even without rapid transit and even if brand-new sources of revenue are made available. The fact remains, however, that the property tax is the most likely source of funds for underwriting the cost of rapid transit -- it is, as noted, an available source and one with additional capacities to produce.

The decision, of course, is the people's. The law establishing MARTA and authorizing the participation of local governments clearly states that any proposed financing that would result in the levy of a new or increased tax on property must be submitted to a referendum of all qualified voters to determine "whether or not the local government should so obligate itself to the extent of the dollar amount or amounts involved therein". This provision clearly enables the people to determine the level of priority that they would put upon rapid transit vis-a-vis other types of public services.

Some question might be raised as to whether the property tax is regressive -- that is, whether it falls with disproportionate burden upon persons with limited ability to pay. The point is arguable. In general, most taxes are regressive except the carefully graduated income tax and this latter source is not likely to become available for rapid transit financing in Atlanta in the near future. The protection afforded low-income people by the \$2,000 homestead exemption, the obvious correlation between income and property values (including rentals), and the high proportion of all property taxes paid by nonresidential properties would all point to the conclusion that the property tax is considerably less regressive on individuals than most forms of levy.

The point about Metropolitan Atlanta's relatively low property tax burden at the present time should be stressed. In 1964-65, Metropolitan Atlanta ranked 33rd out of the 38 largest metropolitan areas in the nation in per capita revenue to local governments from property sources. (The term "local governments" here includes all general governments, agencies, authorities, special districts, and school systems.) Atlanta's per capita load was only 74 percent as great as the median for all the areas. Property revenue as a percent of revenue from local sources and from all sources was lower in Metropolitan Atlanta than the overall median.

These points are shown in the following comparisons:

	<u>Metropolitan Atlanta</u> <u>1/</u>	<u>38 Largest Metropolitan Areas</u> (Median)
Per capita revenues to local governments from property sources	\$95.52	\$129.94
Property revenue as percent of revenue from local sources	59.6%	67.3%
Property revenue as percent of revenue from all sources	43.7%	48.6%

1/ All local governments in Metropolitan Atlanta combined.

It is recognized, of course, that the property tax already carries the main burden of local government financing in Metropolitan Atlanta (as in most local governments). Approximately three-fourths of the local government revenues of the two central counties -- Fulton and DeKalb -- are derived from property tax receipts. Equally important, virtually the entire burden of local public school financing falls on the property tax, and school millage rates actually exceed those for general government operations. The property tax is a dependable and fast-growing revenue source, however, and it can sustain additional responsibilities as well as remain the mainstay of county government and school financing.

Under recent court rulings, counties in Georgia are required to carry all of their property tax assessments at approximately 40 percent of market value. Fulton County has just completed the revaluation of its assessment rolls to meet this requirement, with an accompanying downward adjustment in the tax rate (millage rate). DeKalb County has made no adjustment and the advice is that such an adjustment may not be necessary inasmuch as assessments are already within the "tolerance limits" of the 40 percent figure. Both Clayton and Gwinnett counties already carry their assessments generally at the 40 percent level.

Financing the Basic System

As already stated, it is recommended that the basic 30-mile system be financed entirely by Fulton and DeKalb counties until the subsequent decision is made to extend the system out to its full 52-mile length. If and when the full extension is undertaken, it is recommended that Clayton and Gwinnett counties participate in the financing under arrangements that would enable them to pick up their pro rata share of the overall system, including the 30-mile basic program.

The recommended formula under which the capital cost of this basic system would be allocated between the two county governments has already been given. It is possible that an alternative formula might be considered that would break out the City of Atlanta as a separate jurisdiction for financing purposes, but it would appear more reasonable to proceed on the county basis. The rapid transit system clearly will extend beyond municipal boundaries and its implications will be felt over a broad area. Residents of the City of Atlanta, of course, are also residents of both Fulton and DeKalb counties and they would pay their proportionate share of county levies. Under a system of financing that utilizes the county property tax, the large commercial and industrial installations in the City of Atlanta would carry a major share of the overall burden.

As already noted, it is assumed that the local share of financing MARTA's capital costs on the 30-mile system would be \$199,000,000, plus interest. The following table shows these relative shares of local capital costs the two county governments would assume:

	<u>Share of Capital Costs</u>	<u>Amount of Capital Costs (Principal)</u>
Fulton County	73.5%	\$146,265,000
DeKalb County	<u>26.5</u>	<u>52,735,000</u>
Total	100.0%	\$199,000,000

A more detailed analysis will now be made of the year-by-year impact of rapid transit financing upon the two governments. This analysis will cover three alternative approaches: 1) the financing of the system through the issuance of bonds by MARTA based upon payments from the local governments for bond amortization; 2) the issuance of general obligation (GO) bonds by the governments themselves with proceeds paid over to MARTA; and 3) a mixed system in which both methods might be employed.

Issuance of Bonds by MARTA

The method of contracting between the local governments and MARTA to produce funds with which the authority can meet annual carrying charges on its capital bond issues involves a straightforward procedure. To effectuate this plan, voters would be asked to authorize the levying of the necessary tax (millage) rates with ceilings as to both interest rates and the total amounts of funds to be raised. No local bond capacities would be involved inasmuch as the bonds would be issued by MARTA rather than the local governments. The tax rate would be applied against the net rather than the gross tax digest, which means that it would be applicable to a taxpayer's assessment after deduction of the homestead exemption of \$2,000.

Table 4 breaks down the share of MARTA's projected carrying charges (based upon the tentative schedule of bond issues set forth earlier) that would be indicated for each of the two central counties in connection with the 30-mile system:

Table 4. INDICATED COUNTY SHARES OF MARTA BOND
CARRYING CHARGES, 30-MILE SYSTEM
(in thousands of dollars)

Year	Indicated Shares		Total Annual Cost
	Fulton County	DeKalb County	
1969	\$ 1,341	\$ 483	\$ 1,824
1970	1,341	483	1,824
1971	3,219	1,161	4,380
1972	3,219	1,161	4,380
1973	5,902	2,128	8,030
1974	5,678	2,047	7,725
1975	8,361	3,015	11,376
1976	9,656	3,481	13,137
1977	10,137	3,655	13,792
1978	9,687	3,493	13,180
1979	9,687	3,493	13,180
1980	9,238	3,331	12,569
1981	8,971	3,235	12,206
1982	8,893	3,206	12,099
(Level payments continuing until bonds are retired beginning in 1998)			
Total	\$266,795	\$96,191	\$362,986

As noted, relatively small payments would be required in the early years of construction of the transit system. MARTA's bond issues could be modest because of the initial availability of sizable Federal funds under the given assumption. Subsequently, however, the impact upon the local governments would be more substantial.

Following is the schedule of millage rates that would need to be levied against the net property digests in each county in order to meet the indicated payments set forth in Table 4. One mill, it should be noted, is equivalent to one-tenth of one percent, which can be translated in terms of \$1.00 per \$1,000 of assessed valuation.

	<u>Fulton</u>	<u>DeKalb</u>
1969	.7	.4
1970	.7	.4
1971	1.6	.9
1972	1.5	.9
1973	2.6	1.5
1974	2.4	1.3
1975	3.3	1.8
1976	3.6	1.9
1977	3.6	1.9
1978	3.2	1.7
1979	3.0	1.6
1980	2.7	1.4
1981	2.5	1.2
1982	2.4	1.1
1983	2.2	1.1

(Then continued reductions
as tax digests increase
and payments remain level)

Millage rates in this analysis have not been calculated beyond 1983 because tax digest projections have not been made. Continued digest increases are anticipated in each county, however. The projected digests for all four counties between 1969 and 1983 are given in Table 5. It would be highly desirable to reschedule these levies to provide more substantial payments in the earlier years and lower payments during the peak years between 1975 and 1978. It is recommended that an alternative schedule of taxes might be considered, which would make possible a ceiling of only 3.0 mills in Fulton County in the peak years and a ceiling of 1.6 mills in DeKalb County. This revised schedule would produce more funds in the earlier years than would be needed if the MARTA bond program set forth herein is followed. However, the construction cost schedule could be revised to make use of the available funds in the early years, and advance purchases of land with these additional funds could possibly save a substantial amount of money in face of rising land values in the area.

Table 5. PROJECTED PROPERTY TAX DIGESTS, LOCAL COUNTIES, 1969-83
(In millions of dollars)

	Gross Digest ^{1/}				Net Digest ^{2/}			
	Fulton	DeKalb	Clayton	Gwinnett	Fulton	DeKalb	Clayton	Gwinnett
1969	\$2,010	\$1,230	\$188	\$100	\$1,855	\$1,081	\$148	\$ 76
1970	\$2,108	\$1,312	\$202	\$108	\$1,950	\$1,158	\$160	\$ 82
1971	\$2,210	\$1,405	\$219	\$117	\$2,049	\$1,243	\$175	\$ 90
1972	\$2,327	\$1,503	\$236	\$128	\$2,162	\$1,335	\$189	\$100
1973	\$2,448	\$1,614	\$255	\$138	\$2,279	\$1,438	\$206	\$109
1974	\$2,579	\$1,726	\$275	\$150	\$2,406	\$1,545	\$223	\$120
1975	\$2,720	\$1,850	\$297	\$163	\$2,543	\$1,663	\$242	\$122
1976	\$2,868	\$1,983	\$321	\$177	\$2,688	\$1,791	\$265	\$145
1977	\$3,027	\$2,127	\$348	\$194	\$2,842	\$1,929	\$289	\$161
1978	\$3,200	\$2,281	\$378	\$210	\$3,011	\$2,078	\$317	\$176
1979	\$3,385	\$2,451	\$408	\$228	\$3,192	\$2,243	\$344	\$193
1980	\$3,580	\$2,629	\$443	\$250	\$3,383	\$2,416	\$377	\$213
1981	\$3,790	\$2,819	\$481	\$273	\$3,589	\$2,602	\$413	\$235
1982	\$4,013	\$3,025	\$522	\$297	\$3,808	\$2,804	\$451	\$258
1983	\$4,251	\$3,261	\$566	\$323	\$4,043	\$3,035	\$493	\$283

^{1/} The assessed value of all real and personal property and utilities less old age exemptions, taxed for support of general obligation bonds.

^{2/} The gross digest less homestead and personal property exemptions, taxed for support of operations (including potential support of MARTA bonds).

The recommended schedule of county payments and millage rates for MARTA bond financing is set forth in Table 6. The peak year payments would be substantially reduced under this schedule and the peak impact upon local taxpayers would be correspondingly less.

Table 6. RECOMMENDED COUNTY PAYMENTS AND MILLAGE RATES, MARTA BOND ALTERNATIVES

	<u>Millage Rates</u>		<u>Dollar Amounts (000)</u>	
	<u>Fulton County</u>	<u>DeKalb County</u>	<u>Fulton County</u>	<u>DeKalb County</u>
1969	1.5	1.0	\$2,783	\$1,081
1970	1.5	1.0	2,925	1,158
1971	2.0	1.1	4,098	1,367
1972	2.0	1.1	4,324	1,489
1973	2.5	1.4	5,698	2,054
1974	2.5	1.4	6,015	2,169
1975	3.0	1.6	7,629	2,751
1976	3.0	1.6	8,064	2,907
1977	3.0	1.6	8,526	3,074
1978	3.0	1.6	9,033	3,257
1979	3.0	1.5	9,576	3,453
1980	2.5	1.3	8,459	3,048
1981	2.5	1.2	8,973	3,235
1982	2.3	1.1	8,893	3,206
1983	2.2	1.1	8,893	3,206
	(Subsequent reduction as tax digests continue to increase)		(Then level annual payments to the retirement of bond issues beginning 1998)	

This schedule of financing would not involve heavy burdens upon the individual taxpayer (although most taxpayers probably would argue that all additional taxes are burdensome). In the first two years of MARTA's construction, the owner of a \$20,000 house in Fulton County would pay only \$9.00 a year and the comparable property owner in DeKalb County would pay only \$6.00 (assuming that assessments in both counties are at 40 percent of market value). In the years of peak tax impact (1975-79), the burden upon

the average home owner in each county would still be modest, as shown in the following schedule:

	<u>Fulton</u>	<u>DeKalb</u>
Maximum millage needed for MARTA bond financing	3.0	1.6
Years of maximum	1975-79	1975-79
Annual cost of maximum millage to owner of home with market value of:		
\$10,000	\$ 6.00	\$ 3.20
\$15,000	\$12.00	\$ 6.40
\$20,000	\$18.00	\$ 9.60
\$25,000	\$24.00	\$12.80
\$30,000	\$30.00	\$16.00

Commercial and industrial properties, of course, would pay a large part of the total bill (with the Federal government assuming a good part of the burden because local property taxes are deductible from Federal income taxes). Under the schedule of payments set forth above, most home owners in Fulton County would pay substantially less than one-tenth of one percent of the market value of their property per year for the construction of the rapid transit system each year, and the tax bite in DeKalb County would be about half that rate. This would be the burden only in the peak years when the millages levied for support of rapid transit would be at their maximum.

It is recognized, of course, that property already carries a substantial tax load locally (although, as pointed out earlier, Metropolitan Atlanta taxpayers pay considerably less on their property than most residents in large urban areas). The present schedule of tax rates applicable in the City of Atlanta and Fulton and DeKalb counties is given in Table 7 (all taxes for servicing bonds are levied on gross assessments without homestead exemptions, and all operating millages except those for Atlanta's schools are levied on net assessments after exemptions).

Table 7. PROPERTY TAX RATES, CITY OF ATLANTA,
FULTON AND DEKALB COUNTIES, 1967

	(In terms of millage)			
	<u>Inside Atlanta</u>		<u>Outside Atlanta</u>	
	<u>Operations</u>	<u>Bonds</u>	<u>Operations</u>	<u>Bonds</u>
City of Atlanta:				
General government	10.50	3.50 <u>1/</u>		
Schools	<u>22.00</u>	-		
Total	32.50	3.50		
Fulton County:				
General government	14.84 <u>2/</u>	1.56	14.84 <u>2/</u>	1.56
Schools	<u>1.25</u>	-	<u>20.25</u>	<u>4.75</u>
Total	16.09	1.56	35.09	6.31
DeKalb County:				
General government	8.45 <u>2/</u>	2.00	9.75 <u>2/</u>	2.00
Schools	-	-	<u>18.00</u>	<u>4.00</u>
Total	8.45	2.00	27.50	6.00

1/ Includes bond service charges for both general government and schools.

2/ Includes .25 mills for state.

Atlanta taxpayers, of course, pay both city and county taxes. However, the city assessments are lower than those of the county's (real property, for example, is assessed at only 35 percent of market value in the city compared with a presumed 40 percent in the counties).

Financing by GO Bonds

The process of issuing general obligation (GO) bonds which are retired by levies against assessed valuation of property is the conventional method of raising capital funds by local governments. In Georgia a vote of the people is required on all general obligation bond issues. Counties operate under a constitutional limitation that places a ceiling upon the amount of GO bonds outstanding at seven percent of the gross property digest (calculated without deductions for homestead and personal property exemptions).

There would be some advantage to the use of GO bonds by Fulton and DeKalb counties in meeting the counties' obligations for MARTA's capital cost. These bonds are backed by the full faith and credit of local governments and (as already noted) usually carry a lower interest rate than bonds issued by special authorities.

On the other hand, there are some potential disadvantages to the GO method for rapid transit financing:

1. The GO bonds issued by local governments for rapid transit would have to be charged up against the bond capacities of each government. This simply means that rapid transit would be competing directly with streets, schools, parks, water, sewer and other public needs for capital funds.

Although both Fulton and DeKalb counties have excess capacities at the present time, both have large backlogs of capital needs. The amounts of capacity available for rapid transit will not be large enough to cover all of the projected requirements for transit and all other purposes, as discussed later.
2. It might be difficult to schedule the issuance of GO bonds to meet the full requirements of the MARTA drawdown schedule, if the GO route is exclusively used for transit financing, rapid transit bond needs would probably have to be considered as part of larger public issues covering a variety of other local government needs. There is an understandable reluctance of government leaders to go to the people with proposals for GO bond issues too frequently.

Moreover, it would be difficult if not impossible to make a commitment with MARTA ahead of time that voters at a future date would approve subsequent GO bond issues for rapid transit. In light of the size of rapid transit requirements, it would not be possible to meet all of these needs through a single GO bond issue, and this would require subsequent votes by the people for which no prior commitment could be made in the MARTA contract.

MARTA does not, of course, have taxing power of its own. If it were able to levy its own tax on property within the rapid transit district, its bond issues would have the status of GO bonds. This is a method utilized in San Francisco for the Bay Area Rapid Transit System. Locally, if GO bonds are issued, they must be issues of the local government.

Available Bond Capacities. With its property assessments now pegged at 40 percent of market value, Fulton County has a bonding capacity, over and above outstanding issues, totaling more than \$80,000,000. The combination of annual bond retirements and increased values in the tax digest will add capacity at a rate of about \$3,000,000 per year; which means an additional \$30,000,000 in capacity over the next 10 years (during the time that MARTA would be needing funds for construction purposes). However, Fulton County has a range of capital improvement needs that must be met by additional GO bond issues in the immediate future. Perhaps as much as \$60,000,000 or \$70,000,000 could be made available from Fulton's bond capacity for rapid transit purposes over the next decade. This would represent about one-half of the county's potential obligation to MARTA.

DeKalb County currently has unused bonding capacity of about \$30,000,000 and is increasing its capacity by about \$2,500,000 per year, which would add another \$25,000,000 over the next 10 years. However, DeKalb also has a range of pressing capital improvement needs coming up in the near future. As much as \$25,000,000 might possibly be made available for rapid transit purposes, which again would give about half the amount that MARTA would need from this county.

It is possible that the courts, ruling on cases now before them, might hold that all property in Georgia must go on the assessment rolls at 100 percent of market value, as specifically stipulated by state law. If this happens, the bonding capacities of Fulton and DeKalb counties would be more than doubled and there would be ample capacities for fully financing rapid transit as well as meeting other capital improvement needs.

As already noted, GO bond financing can save money through a reduction in the interest rate. However, the tax rate levied for the servicing of GO bonds is applied against the gross rather than the net digest -- and this means that the homestead exemption is not applicable. The owner of a low or modestly priced house might pay more tax on his gross assessment with a lower millage rate than he would if the homestead exemption applied but the millage

rate was higher. Commercial properties, on the other hand, do not get the benefit of homestead exemption and would pay less tax under GO financing with its lower millage rate than under MARTA financing.

Table 8 sets forth the county payments and recommended millage rates if GO bond financing is utilized for rapid transit. Again it is suggested that higher tax rates be established in the earlier years than actually required, in order to reduce the peak loads in later years.

Table 8. RECOMMENDED COUNTY PAYMENTS AND MILLAGE RATES,
GENERAL OBLIGATION BOND ALTERNATIVE

	Millage Rates		Dollar Amounts (000)	
	<u>Fulton</u> <u>County</u>	<u>DeKalb</u> <u>County</u>	<u>Fulton</u> <u>County</u>	<u>DeKalb</u> <u>County</u>
1969	1.5	1.0	\$3,015	\$1,230
1970	1.5	1.0	3,162	1,312
1971	2.0	1.1	4,420	1,545
1972	2.0	1.1	4,654	1,653
1973	2.5	1.4	6,120	2,260
1974	2.5	1.4	6,448	2,416
1975	2.5	1.3	6,800	2,452
1976	2.5	1.3	7,170	2,585
1977	2.5	1.3	7,568	2,729
1978	2.5	1.3	8,000	2,884
1979	2.4	1.2	8,124	2,929
1980	2.3	1.1	8,234	2,968
1981	2.1	1.0	7,959	2,870
1982	2.0	1.0	8,026	2,894
1983	1.9	.9	8,076	2,912

(Subsequent reductions as tax digests continue to increase)

(Then level annual payments to the retirement of bond issues beginning in 1998)

Assuming the lower interest rates on GO bonds, the peak millage requirements under GO financing would be lower than those required to underwrite MARTA bond issues. This is true both because the overall financing cost is lower and because the gross rather than the net digest is used. As already

mentioned, the reduced millage rate does not necessarily produce a lower tax for the residential taxpayer inasmuch as the homestead exemption is not applicable. Following are representative figures on the tax impact of the maximum millage under GO bond financing, and these figures might be compared with the earlier figures for servicing MARTA revenue bonds:

	<u>Fulton</u>	<u>DeKalb</u>
Maximum millage needed for GO bond financing	2.5	1.4
Years of maximum	1973-78	1973-74
Annual cost of maximum millage to owner of home with market value of:		
\$10,000	\$10.00	\$ 5.60
\$15,000	\$15.00	\$ 8.40
\$20,000	\$20.00	\$11.20
\$25,000	\$25.00	\$14.00
\$30,000	\$30.00	\$16.80

Recommended: The Combination Approach

It is recommended that both methods of financing be employed by the local governments in meeting their obligations to MARTA for constructing the rapid transit system -- the collection of property taxes to support the issuance of MARTA bonds plus the issuance of general obligation bonds by the governments themselves.

Voter approval could be sought for an overall dollar commitment to MARTA authorizing the governing bodies to use either or both methods to meet this commitment. It would seem clear that the act establishing MARTA recognized this possibility by stating:

"A local government may elect any method provided in this section to finance the participation required of it in whole or in part, and the election of one method shall not preclude the election of another method with respect thereto or with respect to any additional or supplementary participation determined to be necessary."

There would be a number of distinct advantages to both Fulton and DeKalb counties in employing both methods. It would make possible the use of GO bond capacity whenever available with the consequent saving in interest charges but it would not demand too much of that capacity in competition with other capital improvement needs. It would give each government greater flexibility in handling its financing programs. Items for rapid transit could be included within the schedule of purposes for larger GO bond issues when the timing of these issues fits into the MARTA drawdown schedule. If by chance a total GO bond issue fails (or voter approval is not received for the specific mass transit item in the bond schedule submitted to the public), the county would be in a position to utilize its alternate authority to levy a millage rate for underwriting bonds issued by MARTA itself. Both the governments and MARTA would be in a better position to take advantage of favorable conditions in the bond market for either type of issue.

Moreover, this type of flexible financing policy might be easier to explain to the public and to obtain public approval. The proposition to be submitted at a public referendum could stipulate a maximum dollar commitment for rapid transit that would be provided in the contracts between the governments and MARTA, such funds to be obtained either through general obligation bonds or through a property tax pledge to underwrite MARTA bonds, and a ceiling could be established on the amount of principal and interest to be paid. The people would, of course, retain the right to vote on the GO bonds but the initial approval of the proposition by public referendum would give government leaders the discretion as to which route to follow in meeting the contractual commitments to MARTA.

Another important advantage would be the opportunity offered to obtain some of the funds needed without an increase in the current tax rate. Upon approval of the voters, GO bonds are frequently issued without incurring a tax raise simply because the retirement of outstanding issues and the increase in the property tax digest makes it possible to absorb additional service charges within existing effective rates.

It is possible that a substantial amount of both governments' commitments to MARTA might be met with little or no tax raise under such favorable circumstances. For example, Fulton County's share of the \$25,000,000 tentatively scheduled as needed by MARTA from the local governments in 1969 would call for an annual servicing charge on GO bonds during the first five years (when sinking funds are built up) of about \$1,261,000. This would represent only .6 of a mill on the gross tax digest, which might well be absorbed within the current bond servicing millage in that year. DeKalb's share of the same issue would cost \$455,000 per year in the first five years, which would represent only .3 of a mill in 1969 and less thereafter as the tax digest increases.

Again, in 1971, Fulton's share of the \$35,000,000 MARTA requirement could be handled through a GO bond which would represent only one mill on the 1971 digest, and DeKalb's share in the same issue would represent only .5 of a mill. Depending on other financial transactions at the time, these charges might well be covered all or in part by bond tax levies already outstanding.

It is strongly recommended that MARTA propose to the local governments that both methods of financing be used in meeting the financial commitments for rapid transit. This recommendation is a corollary to the earlier one that the property tax should be the exclusive source of funds for this purpose.

It is not possible, of course, to make any precise estimate of the tax rate implications of a combination approach. Certainly the tax impact would be less than that shown for the MARTA bond route, and it could be even less than that for GO bond financing on the straight-line basis shown in Table 8.

Prospects for Full System

The full 52-mile system would cost \$479,000,000. It would reach deep into Clayton and Gwinnett counties and would also have a considerably broader coverage of the Atlanta-Fulton-DeKalb area.

Assuming that the 30-mile system is well underway with \$100,000,000 in Federal funds available, the question is how much additional Federal money would be required to move directly into the 52-mile program without greatly

increasing the local outlay (in total or on an annual basis). If in 1972 or 1973 it would become clear that another \$50,000,000 in Federal funds would be made available, this would not be enough to support the 52-mile total system without a heavy increase in the local load. However, if it becomes clear that a total of \$200,000,000 in Federal funds might be made available -- an additional \$100,000,000 over and above the same amount already made available for the 30-mile system -- the local share would not be much greater for the 52-mile system than for the 30-mile system. Here is the overall breakdown:

	<u>Amount</u> (000,000)	<u>Percent</u>
Local	\$231	48.2%
State	48	10.0
Federal	<u>200</u>	<u>41.8</u>
	\$479	100.0%

This is not an improbable assumption if Federal funds ever do break loose on a larger scale than at present. Indeed, as mentioned earlier, it is estimated that at least \$500,000,000 a year will eventually be needed on a regular basis to meet U.S. metropolitan transit needs rather than the \$200,000,000 level currently projected for the 1969 and 1970 fiscal years. MARTA's share in 1973 and thereafter could run as high as \$50,000,000 or \$60,000,000 a year.

The availability of \$200,000,000 in Federal funds could support the 52-mile system with an overall outlay for the two central governments only slightly higher than the 30-mile requirement. All four county governments would now share the totals, with the following distribution of the burden based on the formula presented earlier:

	<u>30-Mile System</u> (000,000)	<u>52-Mile System</u> (000,000)
Fulton County	\$146.3	\$154.1
DeKalb County	52.7	55.7
Clayton County		13.6
Gwinnett County		7.6
	<hr/> \$199.0	<hr/> \$231.0

It is assumed on a preliminary basis that the 52-mile system would call for at least seven MARTA bond issues compared with the six that might be scheduled for the 30-mile system. In Table 9, the bond issue and carrying charge schedules of the two systems are compared. (The MARTA rather than the GO bond schedule is used as a base.)

Table 9. COMPARISON OF LOCAL COSTS, 30-MILE
AND 52-MILE SYSTEMS IN SEQUENCE
(000)

	<u>Bond Issues</u>		<u>Carrying Charges</u>	
	<u>30-Mile</u>	<u>52-Mile</u>	<u>30-Mile</u>	<u>52-Mile</u>
1969	\$ 25,000	\$ 25,000	\$ 1,824	\$ 1,824
1970			1,824	1,824
1971	35,000	35,000	4,380	4,380
1972			4,380	4,380
1973	50,000	40,000	8,030	7,296
1974			7,725	6,994
1975	50,000	40,000	11,376	9,907
1976	30,000		13,137	9,481
1977	9,000	40,000	13,792	12,397
1978			13,180	11,913
1979		30,000	13,180	14,100
1980		21,000	12,569	15,150
1981			12,206	15,150
1982			12,099	14,665
1983			12,099	14,665
1984			12,099	14,302
1985			12,099	14,046
			(Level payments continuing until bonds are retired)	
Total	<hr/> \$199,000	<hr/> \$231,000	<hr/> \$362,986	<hr/> \$421,355

The reason for the lower local requirements for the 52-mile system in the 1973-76 period, of course, is the projected availability of \$100,000,000 more in Federal money. This fact, plus the sharing of the local cost by four instead of two governments, would produce actually a lower demand upon Fulton and DeKalb for the larger system in a number of years. The necessary millage rates are shown in Table 10 through 1983.

Table 10. COMPARATIVE MILLAGE RATES NEEDED TO SUPPORT 30-MILE AND 52-MILE SYSTEMS

	<u>30-Mile System^{1/}</u>		<u>52-Mile System^{2/}</u>			
	<u>Fulton</u>	<u>DeKalb</u>	<u>Fulton</u>	<u>DeKalb</u>	<u>Clayton</u>	<u>Gwinnett</u>
1969	1.5	1.0	1.5	1.0		
1970	1.5	1.0	1.5	1.0		
1971	2.0	1.1	2.0	1.1		
1972	2.0	1.1	2.0	1.1		
1973	2.5	1.4	2.0	1.1	1.5	1.5
1974	2.5	1.4	2.0	1.1	1.5	1.5
1975	3.0	1.6	2.5	1.4	1.5	1.5
1976	3.0	1.6	2.5	1.4	1.5	1.5
1977	3.0	1.6	3.0	1.6	1.5	1.5
1978	3.0	1.6	3.0	1.6	1.5	1.5
1979	3.0	1.5	2.8	1.4	1.5	1.5
1980	2.5	1.3	2.8	1.4	1.5	1.5
1981	2.5	1.2	2.6	1.3	1.5	1.5
1982	2.3	1.1	2.4	1.2	1.5	1.5
1983	2.2	1.1	2.3	1.1	1.5	1.5

1/ From Table 6. Assumes \$100,000,000 in Federal and \$33,000,000 in state funds.

2/ Assumes \$200,000,000 in Federal and \$48,000,000 in state funds.

All of the indicated millage rates would drop after 1983 -- for all governments. Although estimates are not available because tax digests have not been forecast beyond that year, the rates would drop because bond service charges would remain constant and property digests would continue to rise.

Until the decision is made to go to the 52-mile system, Clayton and Gwinnett counties would not be involved. In order to keep a ceiling on the cost of the system to these governments after they are brought into the picture (assumed to be in 1973), their participation is calculated at a lower rate up to 1983 than their ultimate share of the total cost would indicate. This simply means a deferral of the main impact on these outlying governments until the system is actually in operation and their tax base more able to handle the burden. Even so, the peak impact would never exceed the 1.5 mills shown in Table 9.

Full Availability of Federal Funds

The assumptions in this report about the potential availability of Federal funds for Metropolitan Atlanta's rapid transit system are admittedly conservative. The basic idea is that when local voters are asked to approve or disapprove the financial plan (presumably in 1968), it will not be realistically possible to anticipate any more Federal money than the \$100,000,000 that is assumed. The voters would be asked to make a "do-it-yourself" commitment based on only a one-third share for the Federal government.

However, it is possible -- once the system gets under construction following this local commitment -- that as much as two-thirds of the total cost might eventually be carried by Federal funds. Rapid transit undoubtedly will continue to have a high domestic priority and Atlanta would be in the forefront of eligible metropolitan areas. A resurgence of domestic programs following a major improvement in the international situation could spring loose the necessary funds.

Under this assumption, MARTA could receive as much as \$300,000,000 in Federal money. Applied to the 52-mile system, this could mean a reduction of \$100,000,000 in cost to the four counties -- from \$231,000,000 to \$131,000,000. Such a reduction would result in a sharp cut in the millage rates on property needed to retire local bonds.

Assuming that the local financing requirements would not be altered in the first four years of the construction program (1969-72) but that these large-scale Federal funds might become available after that period, the peak millage rate in any year thereafter is shown below for each of the governments.

	<u>Using</u> <u>MARTA</u> <u>Bonds</u>	<u>Using</u> <u>GO</u> <u>Bonds</u>
Fulton	1.8	1.3
DeKalb	1.0	.7
Clayton	1.0	1.0
Gwinnett	1.0	1.0

A Note on Atlanta

The option does exist, of course, of recasting the local financing program for rapid transit to include the City of Atlanta as a participating government along with the four counties. The only legal stipulation is that the county governments cannot levy a tax for rapid transit purposes on any subject of taxation within the city if the city also has a contract with MARTA and is itself "using its public funds or levying a tax" for that purpose.

Under the allocation formula described earlier, the shares of the local capital costs of MARTA to be assumed by the local governments would be as follows:

City of Atlanta	56.7%
Fulton County ^{1/}	12.0
DeKalb County ^{1/}	22.1
Clayton County	5.9
Gwinnett County	<u>3.3</u>
Total	100.0%

^{1/} Excluding the portion lying within the city limits of Atlanta.

As noted earlier, it was considered more reasonable in this report to develop the financing formula on a county basis without the city's independent participation. Inasmuch as the rapid transit system would serve the entire metropolitan area and would extend far beyond the boundaries of municipalities therein, it would appear logical to utilize the governmental bodies covering the widest geographical areas -- namely, the counties. City residents and taxpayers are also county residents and taxpayers; about 80 percent of Fulton County's property digest in 1966, for example, lay within Atlanta's city limits. The heavy concentrations of commercial and industrial properties within the city (such as the massive building complex in Downtown Atlanta) are reached as surely by county taxes as by city taxes and carry overwhelmingly the greatest burden of property taxation regardless of the channels through which the taxes are collected. (In 1965 in the City of Atlanta industrial and commercial property accounted for the great majority of the taxable digest--about 80 percent--with single family homes accounting for only 20 percent.)

There are other considerations. The city of Atlanta as a government faces a more serious financial problem than that faced by the counties. It has been forced to seek an ever-widening range of new revenue sources to supplement the property tax (which now accounts for only one-fourth of its revenue). It has immediate pressures on its operating budgets as well as a tremendous backlog of capital improvements calling for its entire GO bonding capacity as well as expanded revenue financing. Its relatively small dependence on the property tax is no proper justification for using city rather than county channels for a rapid transit levy on that source -- the fact that the same city property is already the main support of the county (and school) financial systems is one of the main reasons why the city has turned to other sources of revenues.

Clearly the county governments also face heavy financial pressures -- which is simply saying that all local governments, in Metropolitan Atlanta as elsewhere, are in need of additional funds. The facts remain, however, that the counties cover the broadest areas, embrace city as well as

suburban taxpayers, enjoy faster rates of overall growth, and have some measure of excess general obligation bonding capacity essential to a flexible system of rapid transit financing.

Still, it would be feasible to approach MARTA's financing on the basis of city as well as county participation. The taxpayers in outlying portions of Fulton County would undoubtedly get a break under this system (although there would probably be little differences in DeKalb County). To be equitable, there would probably have to be a number of different tax rates in Fulton County outside Atlanta -- taxpayers in the Tri-Cities area of South Fulton, for example, would be directly served by transit and should be expected to pay as much as taxpayers across the line in Atlanta. The same might be true of near-in residents of North Fulton with easy access to transit stations. The situation could get complicated, but it would not be impossible to work out.

The objective, of course, must be to produce a fair and equitable financing method that would provide the greatest good for the greatest number. The basic point is that rapid transit is an essential metropolitan function and its support must come from the metropolitan community as a whole.

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ATLANTA

g/10

* MEMBER D. C. BAR, NOT GA. BAR

December 26, 1967

Mr. G. Everett Millican
City Hall
Atlanta, Georgia 30303

Dear Mr. Millican:

I have received a copy of a resolution introduced by you and approved by the Board of Aldermen regarding the Metropolitan Atlanta Rapid Transit Authority. The resolution states that the passage of Senate Bill 111 "may be at variance with the desires and wishes of the City of Atlanta as expressed by the Board of Aldermen." The resolution asks that all bills regarding MARTA be furnished to the Mayor and Board of Aldermen for an expression of opinion.

Since the resolution indicates only that the Aldermen "may be" opposed to Senate Bill 111, I would appreciate it if you would let me know as soon as possible, preferably before the legislature begins, whether or not the Board of Aldermen is in opposition to the passage of Senate Bill 111 and, if so, your reasons for such opposition.

With best wishes for the Holiday Season,

Sincerely yours,

(Sgd.) Michael J. Egan, Jr.

MJE/HBM

CC: Mayor Ivan Allen ✓
Mr. Richard Rich
Stell Huie, Esquire

rc

HUIE AND HARLAND
ATTORNEYS AND COUNSELORS AT LAW
FULTON FEDERAL BUILDING
ATLANTA, GEORGIA 30303

W. STELL HUIE
JAMES R. HARLAND, JR.
HARRY L. CASHIN, JR.
TOM WATSON BROWN
RUFUS A. CHAMBERS
TERRILL A. PARKER
JAMES H. MORGAN, JR.

TELEPHONE
522-1641

December 20, 1967

Chairman, Clayton County Commission
Chairman, DeKalb County Commission
Chairman, Fulton County Commission
Chairman, Gwinnett County Commission
Mayor Ivan Allen, Jr.

Gentlemen:


Mr. Aldredge, Chairman of the Fulton County Commission, has indicated a desire, in which I believe all of you concur, that representatives of the governments participating in MARTA meet to discuss the proposed legislative changes. Of course, we with MARTA heartily welcome such a meeting as the communications problem seems to become more increasingly difficult.

Mr. Aldredge has indicated that he will be in touch with you shortly after Christmas with regard to such a meeting. We look forward to seeing you or your representatives at that time.

Wishing for each of you, your families, and your associates, a Merry Christmas, we are

Very truly yours,

HUIE AND HARLAND


W. Stell Huie

WSH/jlt

HUIE AND HARLAND
ATTORNEYS AND COUNSELORS AT LAW
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JAMES H. MORGAN, JR.

TELEPHONE
522-1641

December 19, 1967

*File
R/Traut
2*

The Honorable Ivan Allen, Jr.
Mayor of Atlanta
City Hall
Atlanta, Georgia 30303

Dear Mayor Allen:

Enclosed please find a copy of the proposed Bill to implement the legislative program of MARTA. As we have previously indicated, we would like the concurrence of all of the participating governments in these suggested changes, and will, of course, not seek to have passed any of those on which the governments cannot agree. This is also true with respect to Senate Bill 111 which is presently in the House Local Affairs Committee.

We have previously furnished copies of the proposed legislation to Messrs. Earl Landers and Charles Davis and have discussed the matter with Messrs. Charles Lokey and Jack Dougherty of the City Attorney's office. By a copy of this letter to each of the City Attorneys we are furnishing them a copy of same.

We are also furnishing a copy to Mr. Hugh Pierce and Mr. Henry Bowden.

Very truly yours,

HUIE AND HARLAND

[Handwritten signature]
W. Stell Huie

WSH/jlt
Encl.

cc: Mr. Hugh Pierce
Mr. Henry Bowden
Mr. Charles Lokey
Mr. Jack Dougherty

HUIE AND HARLAND

The Honorable Ivan Allen, Jr.
Page 2
December 19, 1967

P.S. For your information, also enclosed please find a copy of S.B. 111
as passed by the Senate with an additional suggestion added.

MINUTES OF THE TWENTY-SECOND MEETING OF THE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

DECEMBER 5, 1967

The Board of Directors of the Metropolitan Atlanta Rapid Transit Authority held its regular meeting on December 5, 1967, at 3:30 P.M., in the Glenn Building Conference Room, Atlanta. Mr. Richard H. Rich, Chairman, presided.

MEMBERS PRESENT:

Robert F. Adamson (City of Atlanta)
Sanford Atwood (DeKalb County)
M. C. Bishop (Fulton County)
Roy A. Blount (DeKalb County)
Rawson Haverty (City of Atlanta)
K. A. McMillon (Gwinnett County)
L. D. Milton (City of Atlanta)
Richard H. Rich (City of Atlanta)

MEMBERS ABSENT:

Edgar Blalock (Clayton County)

OTHERS PRESENT:

Metropolitan Atlanta Rapid Transit Authority

H. L. Stuart, General Manager
King Elliott, Public Information Director
Earl Nelson, Chief Engineer
H. N. Johnson, Secretary to General Manager
Glenn E. Bennett, Secretary

Consultants

W. O. Salter, Parsons, Brinckerhoff, Quade & Douglas,
San Francisco
J. A. Coil, Resident Manager, Parsons, Brinckerhoff-
Tudor-Bechtel, Atlanta
R. W. Gustafson, Supervising Engineer, Parsons, Brincker-
hoff-Tudor-Bechtel, Atlanta
Jacques Labourer, Eric Hill Associates
Tom Watson Brown, Huie and Harland

Others

Don Ingram, Central Atlanta Progress, Inc.
P. A. Springer, Atlanta Traffic and Safety Council
Mrs. Rachel Champagne, J. D. Wingfield, Jr., Atlanta
Region Metropolitan Planning Commission

The meeting was called to order by the Chairman.

Minutes

Upon motion by Mr. Bishop, seconded by Mr. McMillon, the minutes of the November meeting were unanimously approved.

Financial Report

Mr. Stuart presented the November 30th budget report and said most items were as projected. There were no questions and the report was accepted.

Report of General Manager

Mr. Stuart said the Georgia Society of Professional Engineers had passed a resolution endorsing the transit project, and expressing a desire to establish a speakers bureau.

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The General Manager said meetings had been held with railroads, planning groups, municipal officials, and with Fulton, DeKalb, and Gwinnett County Commissioners. The proposed legislative program had been discussed with members of the House and Senate from the four counties. He planned a trip to Washington to discuss the 1968 legislative program with Representatives Blackburn and Thompson.

Mr. Stuart mentioned a visit on November 28, from Mr. Carl Hill, an assistant to Mr. Charles Haar of HUD in Washington. Mr. Hill had been shown the plans and reviewed progress in the design field.

Mr. Stuart said he and Mr. Bennett would appear before the Fulton County Grand Jury on December 12. (Subsequently, Mr. Haverly was substituted for Mr. Stuart.)

Mr. Rich had testified before the Rainey Sub-Committee of the Georgia House of Representatives on November 30, and requested Mr. Stuart to send a copy of his testimony to the Board members.

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Mr. John Coil reported that the 701 report had been distributed, and the popular summary version would be ready for distribution within one week. He said the engineers were continuing to update the plan and resolve questions with governments. He had been encouraged by responses from the Seaboard Coast Line Railroad and by the L. & N. Railroad.

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Copies of a proposed contract between MARTA and the Georgia Department of Industry & Trade were distributed for consideration. The State of Georgia had appropriated \$500,000 per year to MARTA, and the Department of Industry & Trade had been designated the agency who would disburse these funds. The contract provided for appropriations to be paid quarterly in advance, and provided that such funds could be used for direct or indirect costs, including debt service, administration, operating, planning, designing, finishing, right-of-way acquisition, and rolling stock.

The contract provided further that the State could appropriate real estate, in lieu of cash. It also gave the State a reversionary interest in the property of the Authority, in the same proportion as the State's appropriation to MARTA.

The contract required an annual audit of the books of MARTA to be sent to the State.

The contract was for 50 years, and would cover subsequent appropriations as they were made.

After discussion of the contract provisions, the following resolution was presented:

BE IT RESOLVED that Henry L. Stuart, General Manager, and Glenn E. Bennett, Secretary, be and hereby are authorized and directed to execute on behalf of this Authority a contract substantially in the form as presented to this Board, subject to approval of counsel, with the State of Georgia, by and through its Department of Industry & Trade, for the transfer and payment to this Authority of funds appropriated and to be appropriated by the Legislature and Governor of Georgia for the purposes of this Authority; and

BE IT FURTHER RESOLVED that said General Manager and Secretary be and hereby are authorized and directed to execute any and all further documents as may be reasonably necessary to the transfer and payment of said funds; and

BE IT FURTHER RESOLVED that Citizens Trust Company be and hereby is designated as the depository for said funds and that all withdrawals therefrom shall be only over the signatures of either the Chairman or Vice Chairman of the Board of this Authority and either the General Manager or the Chief Engineer of this Authority.

Upon motion by Mr. McMillon, seconded by Dr. Atwood, the above resolution was unanimously adopted.

Appointment of Auditor for 1968

Mr. Stuart had received a proposal from Arthur Andersen Company to continue auditing services as needed for the year ending December 31, 1968, for a fee of \$500. Mr. Bishop made a motion,

seconded by Mr. McMillon, that this contract be renewed. The motion was unanimously passed.

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The 1968 budget estimates were presented by the General Manager, who recommended the proposed budget for adoption. Mr. Stuart said the budget had been reviewed by the Board earlier. The Chairman asked for a breakdown and explanation of an item of \$750,000 for preliminary design of the transit center. The General Manager agreed to provide an explanation of this item, and Mr. Bishop made a motion that the budget for 1968 be adopted, subject to a satisfactory review of the item questioned by the Chairman. The motion was seconded by Mr. Adamson and unanimously passed.

A copy of the 1968 budget as adopted is attached hereto and made a part of these minutes.

Authorization under Retainer Agreement

The General Manager requested authorization for \$500 to be expended under the retainer agreement, to pay for copies of the 100-scale plan and profile drawings which are being requested by the State Highway Department, the railroads, and others. Mr. Stuart showed samples of these prints, and said the engineers had been making them available at cost. Mr. Bishop made a motion, seconded by Mr. McMillon, that a sum of \$500 be allocated for these prints, from the retainer agreement. The motion was unanimously passed.

January Meeting

It was agreed that the General Manager would poll the members as to a date in January for the regular meeting, which would not conflict with holiday plans. It was tentatively agreed that January 5 would be agreeable. Notice would be sent after the staff had checked with all members.

Adjournment

The meeting was adjourned at 4:45 P.M.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

1968 OPERATING BUDGET

JANUARY 1, 1968 - DECEMBER 31, 1968

Unappropriated Surplus:

(1)	On hand, 12/31/67 ^(a)	\$ 60,371.00	
	Receivables:		
(2)	(Omitted)		
(3)	State of Georgia ^(c)	125,000.00	
(4)			\$185,371.00
(5)	Appropriated Surplus ^(d)		<u>45,324.00</u>
(6)			\$230,695.00

INCOME

(7)	City of Atlanta ^(e)	\$ 84,030.00	
(8)	Clayton County	23,190.00	
(9)	DeKalb County	82,770.00	
(10)	Fulton County	91,800.00	
(11)	Gwinnett County	<u>18,210.00</u>	
(12)			\$300,000.00
(13)	Interest on Treasury Bills		5,000.00
(14)	State of Georgia ^(f)		250,000.00
	<u>U. S. DEPT. OF HUD</u>		
(15)	702 Loan)	\$ 35,000.00	
(16)	Section 9 - 1)	173,333.00	
(17)	Section 9 - 2)	624,333.00	
(18)	Interest Income ^(g)	<u>7,000.00</u>	
(19)			\$839,666.00
(20)	TOTAL INCOME		\$1,394,666.00
(21)	GRAND TOTAL INCOME & SURPLUS		\$1,625,361.00

(22) INCOME & SURPLUS BROUGHT FORWARD

\$1,625,361.00

STAFF & ADMINISTRATIVE EXPENSES

Staff Expenses

(23)	Salaries		93,600.00
(24)	Expenses		14,500.00
	Benefits:		
(25)	Social Security	-	\$1,904.00
(26)	Guaranty Fund	-	533.00
(27)	Health & Accident	-	2,940.00
(28)	Retirement	-	17,000.00
(29)	Workmen's Compensation	-	182.00
(30)			22,559.00
(31)	BOARD MEETINGS		3,600.00
(32)	TOTAL STAFF EXPENSES		\$ 134,259.00

Administrative Expenses

(33)	Rent	-	\$ 4,200.00
(34)	Communications & postage	-	4,000.00
(35)	Furniture & equipment	-	4,000.00
(36)	Supplies	-	4,000.00
(37)	Printing	-	2,000.00
(38)	Auditor	-	500.00
(39)	Accountant	-	1,500.00
(40)	Public Information: (h)	-	86,000.00
(41)	Local	-	\$50,667.00
(42)	Federal	-	\$35,333.00
(43)	Insurance	-	327.00
(44)	TOTAL ADMINISTRATIVE EXPENSES		\$ 106,527.00
(45)	TOTAL STAFF & ADMINISTRATIVE EXPENSES		\$ 240,786.00

(46)	INCOME SURPLUS BROUGHT FORWARD		\$1,625,361.00
(47)	EXPENSES BROUGHT FORWARD		240,786.00
(48)	COUNSEL (1)		50,000.00

CONSULTANTS:

On Retainers:

(49)	Research & Technical Services (j)	- \$	5,000.00
(50)	Advisory Committee (k)	-	12,000.00
(51)	Hammer, Greene, Siler Associates (1)	-	7,200.00
(52)	Eric Hill Associates (m)	-	7,200.00
(53)			<u>31,400.00</u>

Under Contracts:

1967 Work Programs:

(54)	702 Loan (n)		35,000.00
(55)	Section 9 - 1 Grant (o)		230,000.00
(56)	Local - \$		76,667.00
(57)	HUD - \$		153,333.00
(58)	Section 9 - 1 Grant (p)		5,000.00
(59)	Local - \$		1,667.00
(60)	HUD -		3,333.00
(61)			<u>270,000.00</u>

1968 Work Programs:

(62)	Section 9 - 1 Amendment (q)		30,000.00
(63)	Local - \$		10,000.00
(64)	HUD -		20,000.00
(65)	Section 9 - 2 Application (r)		891,000.00
(66)	Local - \$		297,000.00
(67)	HUD -		594,000.00
(68)			<u>921,000.00</u>
(69)	Retainer Agreement (s)		<u>39,000.00</u>

(70) TOTAL EXPENSES \$ 1,552,186.00

(71) UNAPPROPRIATED SURPLUS \$ 73,175.00

EXPLANATORY NOTES TO THE BUDGET
JANUARY 1, 1968 - DECEMBER 31, 1969

- (a) This is a forecast figure derived from expected receipts and expenses between August 31, 1967 and December 31, 1967.
- (b) OMITTED
- (c) The 1967 General Assembly appropriated \$500,000 for the fiscal biennium July 1, 1967 through June 30, 1969. We are developing a contract with the Department of Industry and Trade (in which budget our item appears). We are seeking to arrange to receive these funds quarterly in advance, which is the same schedule on which we receive funds from the local governments and the United States Department of Housing and Urban Development.
- (d) This is a forecast figure based on anticipated expenditures and scheduled appropriations between August 31, 1967 and December 31, 1967.
- (e) Income from local governments shown is identical to that requested and received in 1966 and 1967.
- (f) This is one year's appropriation made by the 1967 Georgia General Assembly. Note (c) above.
- (g) Interest on federal funds accrues to the benefit of the United States Government and is deducted from the grand total.
- (h) This is an expanded program (from 33,000 in 1966). The staff will double the circulation of "Rapid Transit Progress" (\$18,000 for one year above present costs), and we will provide one mailing of factual information to every registered voter in the four-county area (\$35,000) sometime prior to election time. Public Information Program Expansion - \$53,000
- (i) Services of bond counsel, which will be added, anticipating a successful referendum in November 1968, which will cause the issuance of bonds. Also, requirements for legal advice will increase as our work becomes more specific.
- (j) This item covers assistance as required in preparing and filing requests for federal grants.
- (k) This five-man committee, chaired by Professor Howard Menhinick, provides us with design advice and assures our communications with the local groups of design professionals.
- (l) We will need a little work from economic consultants as it becomes necessary to update our financial plan.

- (m) The Corridor Impact Study will go out of date if it does not receive some attention from time to time.
- (n) This is the balance to be expended on preliminary engineering on the North-South Line.
- (o) This is the balance to be expended on the preliminary engineering on the East-West Line and certain planning for extensions. It also includes support by our consulting engineers during the period in which we seek public acceptance.
- (p) This will be applied to transportation planning to itemize future policy needs as to relations between MARTA and other transportation system.
- (q) This is for an evaluation and review of MARTA's plans with reference to total transportation planning in the Atlanta region.
- (r) The application for our 1968 work program will cover the following projects:

1. Preliminary Ownership Study ----- \$ 50,000

This is the beginning of title search operations on the 30-mile system. Getting started on this in 1968 will save one year in the right of way acquisition program.

2. Accounting & Financial Control System Design Study -- \$ 25,000

This work element sets up the system of accounts and financial controls for the Authority. Given a successful bond referendum, we will be into right of way acquisition immediately and some construction within nine months. Final design contracts will be ready soon after the referenda and our budget will total millions. The Comptroller's office must go into operation with zero time lag.

3. Plans for the Preservation of Historical Sites ----- \$ 3,000

Our routes and station sites will be examined by a committee of the Atlanta Historical Society. It will recommend to us course of action to preserve our heritage where rapid transit operations affect sites or structures of historical significance.

4. Relocation Program Design ----- \$ 13,000

This work will define the job ahead, in detail, so that we can make application under our future capital programs to achieve successful relocation as required by our construction progress.

5a. Preliminary Architectural and Engineering Design of Transit Center----- \$300,000

The purpose of this work is to further the technical development of Transit Center and the adjacent line structures. Items to be considered under this work are as follows:

- (a) Circulation and access of pedestrians, buses and automobiles to Transit Center.
- (b) Methods of construction.
- (c) Types of structures.
- (d) Utility and sub-surface investigations.
- (e) Establish electrical and mechanical spatial requirements.
- (f) Develop architectural preliminary plans.
- (g) Prepare preliminary specifications.
- (h) Establish preliminary right-of-way plans.
- (i) Construct architectural study model.

5b. Development of Transit Center-----\$450,000

The purpose of this work is to make surveys, borings and develop plans to bring the design of Transit Center and its approaches to a point just short of architectural finishes and contract documents. By doing this in 1968, we can start first construction on this 22½ million complex in the summer of 1969. This work is subject to final adoption of routes, station locations, and acceptance of the work items in 5a above. This work will include:

- (a) Make surveys.
- (b) Take soil borings.
- (c) Establish horizontal and vertical controls.
- (d) Prepare utility plans.
- (e) Prepare base maps.
- (f) Develop design criteria.

6. Architectural Studies-----\$ 50,000

This work includes the much discussed consulting Architect. There are many design elements that should be constant or confined within prescribed limits system-wide. Consistency, good looks and economy demand these specifications set up by the Consulting Architect.

- (s) This agreements provides for engineering support not otherwise covered in existing contracts.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

BUDGET REPORT

NOVEMBER 30, 1967

	BUDGET 1967	ACTUAL JANUARY 1, 1967 TO NOVEMBER 30, 1967
Unappropriated Surplus	<u>\$128,281.64</u>	<u>\$128,281.64</u>
<u>INCOME</u>		
Appropriations:		
City of Atlanta	\$ 84,030.00	\$ 84,030.00
Clayton County	23,190.00	17,392.50
DeKalb County	82,770.00	82,770.00
Fulton County	91,800.00	91,800.00
Gwinnett County	18,210.00	13,657.50
Sub-Totals	<u>\$300,000.00</u>	<u>\$289,650.00</u>
Interest Income	\$ 5,520.00	\$ 4,262.34
Federal Funds:		
702 Loan	\$ 95,000.00	\$ 90,000.00
Section 9 Grant	276,000.00	212,069.54
Interest - Federal Funds	0	597.46
Sub-Totals	<u>\$371,000.00</u>	<u>\$302,667.00</u>
TOTAL INCOME	<u>\$676,520.00</u>	<u>\$596,579.34</u>
TOTAL INCOME AND UNAPPROPRIATED SURPLUS	<u>\$804,801.64</u>	<u>\$724,860.98</u>
<u>EXPENSES</u>		
Staff Cost:		
Salaries	\$ 68,950.00	\$ 59,083.67
Expense	10,500.00	9,853.63
Benefits:		
Social Security	1,109.00	1,188.09
Guaranty Fund	533.00	533.34
Health and Accident Insurance	1,680.00	1,110.51
Retirement	10,000.00	300.54
Workmen's Compensation	99.00	181.72
Sub-Totals	<u>\$ 92,871.00</u>	<u>\$ 72,251.50</u>
Board Meetings	\$ 3,150.00	\$ 2,950.00
Administrative and Office Overhead:		
Rent	\$ 3,000.00	\$ 2,750.00
Communications and Postage	2,000.00	1,890.69
Furniture and Equipment	2,000.00	577.16
Supplies	3,600.00	2,646.55
Printing	1,000.00	623.56
Auditor	250.00	250.00
Accountant	1,000.00	750.00
Public Information	33,000.00	28,345.85
Advisory	5,000.00	4,213.71
Insurance:		
Public Liability	72.00	107.00
Depository and Forgery	56.00	56.27
Fidelity Bond	199.00	198.60
Sub-Totals	<u>\$ 51,177.00</u>	<u>\$ 42,409.39</u>
CARRIED FORWARD	<u>\$147,198.00</u>	<u>\$117,610.89</u>

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BUDGET REPORT

NOVEMBER 30, 1967

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TOTAL INCOME AND UNAPPROPRIATED SURPLUS BROUGHT FORWARD	<u>\$804,801.64</u>	<u>\$724,860.98</u>
<u>EXPENSES</u>		
Brought Forward	<u>\$147,198.00</u>	<u>\$117,610.89</u>
Counsel	<u>\$ 20,000.00</u>	<u>\$ 11,758.61</u>
Consultants:		
Atlanta Region Metropolitan Planning Commission	\$ 31,250.00	\$ 29,939.00
Urban Design Study:		
Section 9	32,667.00	16,000.00
Matching	16,333.00	16,333.00
Atlanta Transit Study:		
Section 9	3,333.00	0
Matching	1,667.00	1,667.00
Hammer, Greene & Siler	0	4,742.09
Parsons Brinckerhoff-Tudor-Bechtel:		
702 Loan	95,000.00	90,000.00
Section 9:		
Federal	240,000.00	120,000.00
Matching	120,000.00	130,364.00
Retainer Agreement	60,000.00	19,092.99
Research and Technical Services	<u>2,000.00</u>	<u>2,475.84</u>
Sub-Totals	<u>\$602,250.00</u>	<u>\$430,613.92</u>
TOTAL EXPENSES	<u>\$769,448.00</u>	<u>\$559,983.42</u>
SURPLUS	<u>\$ 35,353.64</u>	<u>\$164,877.56</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
ATLANTA, GEORGIA

STATEMENT OF FINANCIAL CONDITION

NOVEMBER 30, 1967

ASSETS

Cash in Banks:		
C & S National Bank	\$ 37,873.95	
First National Bank	2,972.78	
Trust Company of Georgia	1,000.00	
Fulton National Bank - Section 9	115,000.00	
Investments:		
U. S. Treasury Bills	96,497.06	
Petty Cash	<u>25.00</u>	
TOTAL ASSETS		\$253,368.79

LIABILITIES

Accounts Payable	\$ 433.65	
Payroll Taxes Withheld and Accrued	1,283.32	
Reserves:		
ARMPC - Urban Design Study	8,333.00	
Atlanta Transit Study	1,667.00	
Parsons Brinckerhoff-Tudor-Bechtel:		
Section 9 Matching	70,364.00	
Retainer Agreement:		
Transportation Study	\$1,500.00	
Public Information	1,925.48	
Surveying	<u>2,984.78</u>	
		<u>6,410.26</u>
TOTAL LIABILITIES		<u>88,491.23</u>
SURPLUS		<u>\$164,877.56</u>

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MINUTES OF THE TWENTY-SECOND MEETING OF THE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

DECEMBER 5, 1967

The Board of Directors of the Metropolitan Atlanta Rapid Transit Authority held its regular meeting on December 5, 1967, at 3:30 P.M., in the Glenn Building Conference Room, Atlanta. Mr. Richard H. Rich, Chairman, presided.

MEMBERS PRESENT:

Robert F. Adamson (City of Atlanta)
Sanford Atwood (DeKalb County)
M. C. Bishop (Fulton County)
Roy A. Blount (DeKalb County)
Rawson Haverty (City of Atlanta)
K. A. McMillon (Gwinnett County)
L. D. Milton (City of Atlanta)
Richard H. Rich (City of Atlanta)

MEMBERS ABSENT:

Edgar Blalock (Clayton County)

OTHERS PRESENT:

Metropolitan Atlanta Rapid Transit Authority

H. L. Stuart, General Manager
King Elliott, Public Information Director
Earl Nelson, Chief Engineer
H. N. Johnson, Secretary to General Manager
Glenn E. Bennett, Secretary

Consultants

W. O. Salter, Parsons, Brinckerhoff, Quade & Douglas,
San Francisco
J. A. Coil, Resident Manager, Parsons, Brinckerhoff-
Tudor-Bechtel, Atlanta
R. W. Gustafson, Supervising Engineer, Parsons, Brincker-
hoff-Tudor-Bechtel, Atlanta
Jacques Labourer, Eric Hill Associates
Tom Watson Brown, Huie and Harland

Others

Don Ingram, Central Atlanta Progress, Inc.
P. A. Springer, Atlanta Traffic and Safety Council
Mrs. Rachel Champagne, J. D. Wingfield, Jr., Atlanta
Region Metropolitan Planning Commission

The meeting was called to order by the Chairman.

Minutes

Upon motion by Mr. Bishop, seconded by Mr. McMillon, the minutes of the November meeting were unanimously approved.

Financial Report

Mr. Stuart presented the November 30th budget report and said most items were as projected. There were no questions and the report was accepted.

Report of General Manager

Mr. Stuart said the Georgia Society of Professional Engineers had passed a resolution endorsing the transit project, and expressing a desire to establish a speakers bureau.

Mr. Stuart reported on a recent trip to Louisville, to contact officials of the L. & N. Railroad and present details of the transit plan. He said the new lease for the A. & W.P. Railroad contained specific reference as to how rapid transit should be routed through the area to the west of Union Station.

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Corridor Impact Study

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The contract was for 50 years, and would cover subsequent appropriations as they were made.

After discussion of the contract provisions, the following resolution was presented:

BE IT RESOLVED that Henry L. Stuart, General Manager, and Glenn E. Bennett, Secretary, be and hereby are authorized and directed to execute on behalf of this Authority a contract substantially in the form as presented to this Board, subject to approval of counsel, with the State of Georgia, by and through its Department of Industry & Trade, for the transfer and payment to this Authority of funds appropriated and to be appropriated by the Legislature and Governor of Georgia for the purposes of this Authority; and

BE IT FURTHER RESOLVED that said General Manager and Secretary be and hereby are authorized and directed to execute any and all further documents as may be reasonably necessary to the transfer and payment of said funds; and

BE IT FURTHER RESOLVED that Citizens Trust Company be and hereby is designated as the depository for said funds and that all withdrawals therefrom shall be only over the signatures of either the Chairman or Vice Chairman of the Board of this Authority and either the General Manager or the Chief Engineer of this Authority.

Upon motion by Mr. McMillon, seconded by Dr. Atwood, the above resolution was unanimously adopted.

Appointment of Auditor for 1968

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seconded by Mr. McMillon, that this contract be renewed. The motion was unanimously passed.

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A copy of the 1968 budget as adopted is attached hereto and made a part of these minutes.

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The General Manager requested authorization for \$500 to be expended under the retainer agreement, to pay for copies of the 100-scale plan and profile drawings which are being requested by the State Highway Department, the railroads, and others. Mr. Stuart showed samples of these prints, and said the engineers had been making them available at cost. Mr. Bishop made a motion, seconded by Mr. McMillon, that a sum of \$500 be allocated for these prints, from the retainer agreement. The motion was unanimously passed.

January Meeting

It was agreed that the General Manager would poll the members as to a date in January for the regular meeting, which would not conflict with holiday plans. It was tentatively agreed that January 5 would be agreeable. Notice would be sent after the staff had checked with all members.

Adjournment

The meeting was adjourned at 4:45 P.M.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

1968 OPERATING BUDGET

JANUARY 1, 1968 - DECEMBER 31, 1968

Unappropriated Surplus:

(1)	On hand, 12/31/67 ^(a)	\$ 60,371.00	
	Receivables:		
(2)	(Omitted)		
(3)	State of Georgia ^(c)	125,000.00	
(4)			\$185,371.00
(5)	Appropriated Surplus ^(d)		<u>45,324.00</u>
(6)			\$230,695.00

INCOME

(7)	City of Atlanta ^(e)	\$ 84,030.00	
(8)	Clayton County	23,190.00	
(9)	DeKalb County	82,770.00	
(10)	Fulton County	91,800.00	
(11)	Gwinnett County	<u>18,210.00</u>	
(12)			\$300,000.00
(13)	Interest on Treasury Bills		5,000.00
(14)	State of Georgia ^(f)		250,000.00
	<u>U. S. DEPT. OF HUD</u>		
(15)	702 Loan)	\$ 35,000.00	
(16)	Section 9 - 1)	173,333.00	
(17)	Section 9 - 2)	624,333.00	
(18)	Interest Income ^(g)	<u>7,000.00</u>	
(19)			\$839,666.00
(20)	TOTAL INCOME		\$1,394,666.00
(21)	GRAND TOTAL INCOME & SURPLUS		\$1,625,361.00

(22) INCOME & SURPLUS BROUGHT FORWARD

\$1,625,361.00

STAFF & ADMINISTRATIVE EXPENSES

Staff Expenses

(23)	Salaries		93,600.00
(24)	Expenses		14,500.00
	Benefits:		
(25)	Social Security	-	\$1,904.00
(26)	Guaranty Fund	-	533.00
(27)	Health & Accident	-	2,940.00
(28)	Retirement	-	17,000.00
(29)	Workmen's Compensation	-	182.00
(30)			22,559.00
(31)	BOARD MEETINGS		3,600.00
(32)	TOTAL STAFF EXPENSES		\$ 134,259.00

Administrative Expenses

(33)	Rent	-	\$ 4,200.00
(34)	Communications & postage	-	4,000.00
(35)	Furniture & equipment	-	4,000.00
(36)	Supplies	-	4,000.00
(37)	Printing	-	2,000.00
(38)	Auditor	-	500.00
(39)	Accountant	-	1,500.00
(40)	Public Information: (h)	-	86,000.00
(41)	Local	-	\$50,667.00
(42)	Federal	-	\$35,333.00
(43)	Insurance	-	327.00
(44)	TOTAL ADMINISTRATIVE EXPENSES		\$ 106,527.00
(45)	TOTAL STAFF & ADMINISTRATIVE EXPENSES		\$ 240,786.00

(46)	INCOME SURPLUS BROUGHT FORWARD	\$1,625,361.00
(47)	EXPENSES BROUGHT FORWARD	240,786.00
(48)	COUNSEL (1)	50,000.00

CONSULTANTS:

On Retainers:

(49)	Research & Technical Services (j)	- \$ 5,000.00
(50)	Advisory Committee (k)	- 12,000.00
(51)	Hammer, Greene, Siler Associates (1)	- 7,200.00
(52)	Eric Hill Associates (m)	- <u>7,200.00</u>
(53)		31,400.00

Under Contract:

1967 Work Programs:

(54)	702 Loan (n)	35,000.00
(55)	Section 9 - 1 Grant (o)	230,000.00
(56)	Local - \$ 76,667.00	
(57)	HUD - \$ 153,333.00	
(58)	Section 9 - 1 Grant (p)	5,000.00
(59)	Local - \$ 1,667.00	
(60)	HUD - 3,333.00	
(61)		<u>270,000.00</u>

1968 Work Programs:

(62)	Section 9 - 1 Amendment (q)	30,000.00
(63)	Local - \$ 10,000.00	
(64)	HUD - 20,000.00	
(65)	Section 9 - 2 Application (r)	891,000.00
(66)	Local - \$ 297,000.00	
(67)	HUD - 594,000.00	
(68)		<u>921,000.00</u>
(69)	Retainer Agreement (s)	<u>39,000.00</u>
(70)	TOTAL EXPENSES	\$ 1,552,186.00
(71)	UNAPPROPRIATED SURPLUS	\$ 73,175.00

EXPLANATORY NOTES TO THE BUDGET
JANUARY 1, 1968 - DECEMBER 31, 1969

- (a) This is a forecast figure derived from expected receipts and expenses between August 31, 1967 and December 31, 1967.
- (b) OMITTED
- (c) The 1967 General Assembly appropriated \$500,000 for the fiscal biennium July 1, 1967 through June 30, 1969. We are developing a contract with the Department of Industry and Trade (in which budget our item appears). We are seeking to arrange to receive these funds quarterly in advance, which is the same schedule on which we receive funds from the local governments and the United States Department of Housing and Urban Development.
- (d) This is a forecast figure based on anticipated expenditures and scheduled appropriations between August 31, 1967 and December 31, 1967.
- (e) Income from local governments shown is identical to that requested and received in 1966 and 1967.
- (f) This is one year's appropriation made by the 1967 Georgia General Assembly. Note (c) above.
- (g) Interest on federal funds accrues to the benefit of the United States Government and is deducted from the grand total.
- (h) This is an expanded program (from 33,000 in 1966). The staff will double the circulation of "Rapid Transit Progress" (\$18,000 for one year above present costs), and we will provide one mailing of factual information to every registered voter in the four-county area (\$35,000) sometime prior to election time. Public Information Program Expansion - \$53,000
- (i) Services of bond counsel, which will be added, anticipating a successful referendum in November 1968, which will cause the issuance of bonds. Also, requirements for legal advice will increase as our work becomes more specific.
- (j) This item covers assistance as required in preparing and filing requests for federal grants.
- (k) This five-man committee, chaired by Professor Howard Menhinick, provides us with design advice and assures our communications with the local groups of design professionals.
- (l) We will need a little work from economic consultants as it becomes necessary to update our financial plan.

- (m) The Corridor Impact Study will go out of date if it does not receive some attention from time to time.
- (n) This is the balance to be expended on preliminary engineering on the North-South Line.
- (o) This is the balance to be expended on the preliminary engineering on the East-West Line and certain planning for extensions. It also includes support by our consulting engineers during the period in which we seek public acceptance.
- (p) This will be applied to transportation planning to itemize future policy needs as to relations between MARTA and other transportation system.
- (q) This is for an evaluation and review of MARTA's plans with reference to total transportation planning in the Atlanta region.
- (r) The application for our 1968 work program will cover the following projects:

1. Preliminary Ownership Study ----- \$ 50,000

This is the beginning of title search operations on the 30-mile system. Getting started on this in 1968 will save one year in the right of way acquisition program.

2. Accounting & Financial Control System Design Study -- \$ 25,000

This work element sets up the system of accounts and financial controls for the Authority. Given a successful bond referendum, we will be into right of way acquisition immediately and some construction within nine months. Final design contracts will be ready soon after the referenda and our budget will total millions. The Comptroller's office must go into operation with zero time lag.

3. Plans for the Preservation of Historical Sites ----- \$ 3,000

Our routes and station sites will be examined by a committee of the Atlanta Historical Society. It will recommend to us course of action to preserve our heritage where rapid transit operations affect sites or structures of historical significance.

4. Relocation Program Design ----- \$ 13,000

This work will define the job ahead, in detail, so that we can make application under our future capital programs to achieve successful relocation as required by our construction progress.

5a. Preliminary Architectural and Engineering Design of of Transit Center-----\$300,000

The purpose of this work is to further the technical development of Transit Center and the adjacent line structures. Items to be considered under this work are as follows:

- (a) Circulation and access of pedestrians, buses and automobiles to Transit Center.
- (b) Methods of construction.
- (c) Types of structures.
- (d) Utility and sub-surface investigations.
- (e) Establish electrical and mechanical spatial requirements.
- (f) Develop architectural preliminary plans.
- (g) Prepare preliminary specifications.
- (h) Establish preliminary right-of-way plans.
- (i) Construct architectural study model.

5b. Development of Transit Center-----\$450,000

The purpose of this work is to make surveys, borings and develop plans to bring the design of Transit Center and its approaches to a point just short of architectural finishes and contract documents. By doing this in 1968, we can start first construction on this 22½ million complex in the summer of 1969. This work is subject to final adoption of routes, station locations, and acceptance of the work items in 5a above. This work will include:

- (a) Make surveys.
- (b) Take soil borings.
- (c) Establish horizontal and vertical controls.
- (d) Prepare utility plans.
- (e) Prepare base maps.
- (f) Develop design criteria.

6. Architectural Studies-----\$ 50,000

This work includes the much discussed consulting Architect. There are many design elements that should be constant or confined within prescribed limits system-wide. Consistency, good looks and economy demand these specifications set up by the Consulting Architect.

- (s) This agreements provides for engineering support not otherwise covered in existing contracts.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

BUDGET REPORT

NOVEMBER 30, 1967

	BUDGET 1967	ACTUAL JANUARY 1, 1967 TO NOVEMBER 30, 1967
Unappropriated Surplus	<u>\$128,281.64</u>	<u>\$128,281.64</u>
<u>INCOME</u>		
Appropriations:		
City of Atlanta	\$ 84,030.00	\$ 84,030.00
Clayton County	23,190.00	17,392.50
DeKalb County	82,770.00	82,770.00
Fulton County	91,800.00	91,800.00
Gwinnett County	18,210.00	13,657.50
Sub-Totals	<u>\$300,000.00</u>	<u>\$289,650.00</u>
Interest Income	<u>\$ 5,520.00</u>	<u>\$ 4,262.34</u>
Federal Funds:		
702 Loan	\$ 95,000.00	\$ 90,000.00
Section 9 Grant	276,000.00	212,069.54
Interest - Federal Funds	0	597.46
Sub-Totals	<u>\$371,000.00</u>	<u>\$302,667.00</u>
TOTAL INCOME	<u>\$676,520.00</u>	<u>\$596,579.34</u>
TOTAL INCOME AND UNAPPROPRIATED SURPLUS	<u>\$804,801.64</u>	<u>\$724,860.98</u>
<u>EXPENSES</u>		
Staff Cost:		
Salaries	\$ 68,950.00	\$ 59,083.67
Expense	10,500.00	9,853.63
Benefits:		
Social Security	1,109.00	1,188.09
Guaranty Fund	533.00	533.34
Health and Accident Insurance	1,680.00	1,110.51
Retirement	10,000.00	300.54
Workmen's Compensation	99.00	181.72
Sub-Totals	<u>\$ 92,871.00</u>	<u>\$ 72,251.50</u>
Board Meetings	<u>\$ 3,150.00</u>	<u>\$ 2,950.00</u>
Administrative and Office Overhead:		
Rent	\$ 3,000.00	\$ 2,750.00
Communications and Postage	2,000.00	1,890.69
Furniture and Equipment	2,000.00	577.16
Supplies	3,600.00	2,646.55
Printing	1,000.00	623.56
Auditor	250.00	250.00
Accountant	1,000.00	750.00
Public Information	33,000.00	28,345.85
Advisory	5,000.00	4,213.71
Insurance:		
Public Liability	72.00	107.00
Depository and Forgery	56.00	56.27
Fidelity Bond	199.00	198.60
Sub-Totals	<u>\$ 51,177.00</u>	<u>\$ 42,409.39</u>
CARRIED FORWARD	<u>\$147,198.00</u>	<u>\$117,610.89</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

BUDGET REPORT

NOVEMBER 30, 1967

	BUDGET 1967	ACTUAL JANUARY 1, 1967 TO NOVEMBER 30, 1967
TOTAL INCOME AND UNAPPROPRIATED SURPLUS BROUGHT FORWARD	<u>\$804,801.64</u>	<u>\$724,860.98</u>
<u>EXPENSES</u>		
Brought Forward	\$147,198.00	\$117,610.89
Counsel	<u>\$ 20,000.00</u>	<u>\$ 11,758.61</u>
Consultants:		
Atlanta Region Metropolitan Planning Commission	\$ 31,250.00	\$ 29,939.00
Urban Design Study:		
Section 9	32,667.00	16,000.00
Matching	16,333.00	16,333.00
Atlanta Transit Study:		
Section 9	3,333.00	0
Matching	1,667.00	1,667.00
Hammer, Greene & Siler	0	4,742.09
Parsons Brinckerhoff-Tudor-Bechtel:		
702 Loan	95,000.00	90,000.00
Section 9:		
Federal	240,000.00	120,000.00
Matching	120,000.00	130,364.00
Retainer Agreement	60,000.00	19,092.99
Research and Technical Services	2,000.00	2,475.84
Sub-Totals	<u>\$602,250.00</u>	<u>\$430,613.92</u>
TOTAL EXPENSES	<u>\$769,448.00</u>	<u>\$559,983.42</u>
SURPLUS	<u>\$ 35,353.64</u>	<u>\$164,877.56</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
ATLANTA, GEORGIA

STATEMENT OF FINANCIAL CONDITION

NOVEMBER 30, 1967

ASSETS

Cash in Banks:		
C & S National Bank	\$ 37,873.95	
First National Bank	2,972.78	
Trust Company of Georgia	1,000.00	
Fulton National Bank - Section 9	115,000.00	
Investments:		
U. S. Treasury Bills	96,497.06	
Petty Cash	<u>25.00</u>	
TOTAL ASSETS		\$253,368.79

LIABILITIES

Accounts Payable	\$ 433.65	
Payroll Taxes Withheld and Accrued	1,283.32	
Reserves:		
ARMPC - Urban Design Study	8,333.00	
Atlanta Transit Study	1,667.00	
Parsons Brinckerhoff-Tudor-Bechtel:		
Section 9 Matching	70,364.00	
Retainer Agreement:		
Transportation Study	\$1,500.00	
Public Information	1,925.48	
Surveying	<u>2,984.78</u>	<u>6,410.26</u>
TOTAL LIABILITIES		<u>88,491.23</u>
SURPLUS		<u>\$164,877.56</u>

December 7, 1967

2/10

Mr. T. J. Lewis, Jr.
Lewis, Lewis and Cagle
905-10 Healey Building
Atlanta, Georgia 30303

Dear Mr. Lewis:

Thank you very much for your letter of
December 5th and the picture of the Hy-Rail
bus which runs on tracks or pavement.

I am forwarding this to the Metropolitan
Atlanta Rapid Transit Association for
consideration.

Sincerely yours,

Ivan Allen, Jr.
Mayor

IAJr/br

CC: Mr. Hank Stewart

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
GLENN BUILDING / ATLANTA, GEORGIA 30303 / AREA CODE 404 524-5711

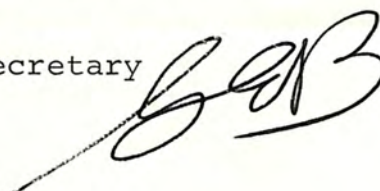
November 29, 1967

OFFICERS:

Richard H. Rich, Chairman
Roy A. Blount, Vice Chairman
Glenn E. Bennett, Secretary
Henry L. Stuart, General Manager

NOTICE TO: Board of Directors
Metropolitan Atlanta Rapid Transit Authority

FROM: Glenn E. Bennett, Secretary



The regular meeting of the Board of Directors of the Metropolitan Atlanta Rapid Transit Authority will be held on December 5, 1967, at 3:30 P. M., in the Conference Room of the Glenn Building, 120 Marietta Street, N. W., Atlanta.

The tentative agenda is as follows:

1. Minutes of last meeting.
2. Financial report.
3. Reports:
 - a) General Manager
 - b) Engineering Consultant
 - c) Corridor Impact Study
4. Appointment of auditor - 1968.
5. Adoption of 1968 budget.
6. Other business.

MINUTES OF THE TWENTY-FIRST MEETING OF THE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

NOVEMBER 7, 1967

The Board of Directors of the Metropolitan Atlanta Rapid Transit Authority held its regular meeting on November 7, 1967, at 3:30 P.M., in the Glenn Building Conference Room, Atlanta. Mr. Richard H. Rich, Chairman, presided.

MEMBERS PRESENT:

Robert F. Adamson (City of Atlanta)
Sanford Atwood (DeKalb County)
M. C. Bishop (Fulton County)
Roy A. Blount (DeKalb County)
Rawson Haverty (City of Atlanta)
L. D. Milton (City of Atlanta)
Richard H. Rich (City of Atlanta)

MEMBERS ABSENT:

Edgar Blalock (Clayton County)
K. A. McMillon (Gwinnett County)

OTHERS PRESENT:

Metropolitan Atlanta Rapid Transit Authority

H. L. Stuart, General Manager
King Elliott, Public Information Director
Earl Nelson, Chief Engineer
H. N. Johnson, Secretary to General Manager

Consultants

Walter Douglas, Parsons, Brinckerhoff, Quade & Douglas,
New York
J. A. Coil, Resident Manager, Parsons, Brinckerhoff-Tudor
Bechtel, Atlanta
Leon Eplan, Eric Hill Associates, Atlanta
W. Stell Huie, Huie & Harland, Atlanta
George Goodwin, Bell & Stanton, Atlanta
Bill Bates, Bell & Stanton, Atlanta

Financial Advisors and Bond Counsel

Lloyd Hatcher, White, Weld & Company, New York
Dan O'Conner, King & Spalding, Atlanta
John Mobley, Gambrell & Mobley, Atlanta

Others

T. M. Callaway, DeKalb County Commissioner
Aubrey Couch, Decatur-DeKalb Development Association
Don Ingram, Central Atlanta Progress, Inc.
Margaret Hurst, Atlanta Constitution
Mrs. Rachel Champagne, J. D. Wingfield, Jr., Jerry Coursey,
Atlanta Region Metropolitan Planning Commission

The meeting was called to order by the Chairman.

Minutes

Upon motion by Mr. Bishop, seconded by Mr. Adamson, the minutes of the October meeting were unanimously approved.

Financial Report

The General Manager presented the financial report as of October 30, 1967, which is attached hereto and made a part of these minutes. He reported receipt of funds from Gwinnett County during the month, making it current in its appropriations to the Authority. Mr. Stuart said expenditures for the year would be less than anticipated, and a surplus of \$105,238 was projected. There were no questions, and Mr. Bishop made a motion that the financial report be approved. Dr. Atwood seconded the motion and it was unanimously passed.

Report of General Manager

Mr. Stuart said over sixty meetings had been held with various agencies in the area concerned with transportation and planning, as the 702 work of the engineers had begun to reflect preliminary drawings in more detail. Mr. Nelson, Chief Engineer, presented a map showing expressways existing, under construction, and proposed. He said the MARTA engineers were working with State Highway Department engineers on all future improvements planned for the expressway system, in an effort to coordinate all transportation planning.

Mr. Rich suggested the possibility of a spur line off Lenox Road in the center of the freeway to Sandy Springs be considered as part of the long-range plan. He felt it would be a logical and relatively inexpensive way to accommodate the projected explosive growth in Sandy Springs.

Mr. Callaway of the DeKalb County Commission inquired about the possibility of having a station in Court Square in Decatur instead of along the railroad near Agnes Scott College. He said officials of Agnes Scott would like to have it as far from the College as possible, and officials of Decatur and DeKalb County would like to have it as near the center of Decatur as possible.

Mr. Callaway mentioned urban renewal land available in the heart of Decatur, and asked that this be considered at an early date. Mr. Aubrey Couch, representing the Decatur-DeKalb Development Association, also endorsed the exploration of the use of Decatur's urban renewal land for a transit station, parking, etc.

In connection with Mr. Callaway's request, Mr. Blount asked if it would be feasible to send an engineer to Decatur to talk about the requests for changes. Mr. Coil said this would be done, and Mr. Callaway requested that DeKalb County officials be included in such a meeting.

Mr. Rich said the site along the railroad had been proposed as the most economical, but the plans were tentative, and public hearings would be held in all jurisdictions, and all suggestions considered before the Authority adopted a final plan.

The General Manager said meetings with all of the railroads would be completed within one week. Preliminary engineering plans had been left with the engineers of the railroads for study. It was the consensus of the Board that the time was approaching when the Board should begin to seriously negotiate with the policymaking heads of the railroads. In response to a question, Mr. Walter Douglas replied that as soon as the railroad engineers had time to absorb the plans, it would be well to seek agreement on operational and political feasibility, leaving the question of money estimates until there had been a favorable bond issue and money was available with which to negotiate.

Mr. Haverty made a motion that the 701 report be sent to the heads of the railroads at the appropriate time, with a personal letter from the Chairman of the Authority. The motion was unanimously passed.

Reports by Consultants

Parsons, Brinckerhoff-Tudor, Bechtel

Mr. John Coil said the 701 report had been printed and was being bound. The popular report, which was to be a condensed version of the 701 report, would be in draft form for review within a week by ARMPC and MARTA, and would be printed within about three weeks.

He said studies of refinement were continuing, and the engineers continued to make evaluations as to use of construction, patronage, etc., and to consider alternate solutions or revisions in the recommendations.

Eric Hill Associates

Mr. Leon Eplan said the comments of his firm on three of the lines had been given to the engineers, the Planning Commission, and the Authority. Work on the other line would be completed soon, and the writing of the final report had begun. It was hoped their final report would be available by the end of the year.

Report of ARMPC Planning Director

Mr. J. D. Wingfield, Jr., ARMPC Planning Director, reviewed the proposed amendment to the Section 9 application, approved by the MARTA Board at its October 3rd meeting. He said the amendment request had been filed with the Department of Housing and Urban Development as of October 3, 1967. This extension would involve the use of Alan M. Voorhees Associates to give an objective appraisal of transit planning to date. The study was expected to cost \$10,000 in local money, and to take approximately three months. This study, hopefully, would satisfy the interests of the Department of Housing and Urban Development and the Bureau of Public Roads in their efforts to coordinate various public investments in transportation, as well as their concern for the broader impact of transit on the region.

Mr. Rich mentioned the possibility of additional studies in the future, to examine coordination with the existing bus system.

Report of Legal Counsel

Mr. Stell Huie of Huie and Harland, Counsel for the Authority, introduced Mr. Lloyd Hatcher of White, Weld & Company,

financial advisors of New York, and Mr. Dan O'Conner of King and Spalding, and Mr. John Mobley of Gambrell and Mobley, both bond counsel firms of Atlanta. Mr. Huie said several meetings had been held to develop a financial plan which would be practical, with bonds at the lowest possible interest.

After discussing various ways of financing, it was recommended that a committee be appointed to work with the financial advisors, bond counsel, and Hammer, Greene, Siler Associates, to develop current recommendations which could be used in support of a bond issue.

The Chairman appointed Mr. Adamson, Dr. Atwood, and Mr. Huie as a committee to work with financial advisors, bond counsel and Hammer, Greene, Siler Associates, to refine and review such variables as interest rates and inflation factors, in an effort to be certain a realistic millage rate would be used in presenting a bond issue to the public.

The Chairman also appointed Mr. Haverty as Chairman, together with Mr. Blount and Mr. Bishop, as a committee to work in the area of public information under the direction of Mr. George Goodwin of Bell and Stanton, to develop the best way to present the plan to the public for referendum.

Upon motion by Mr. Blount, seconded by Dr. Atwood, the Board unanimously concurred in the appointment of these two committees by the Chairman.

Mr. Huie reviewed 17 proposed amendments to the MARTA legislation, which counsel considered important, and suggested that new legislation incorporating these amendments be submitted to the Legislature in the January session. The suggested changes are attached to and made a part of these minutes.

Dr. Atwood made a motion that Counsel be given authority to draft legislation incorporating the proposed amendments and submit it to local governments and legislative representatives of local governments for study. Mr. Bishop seconded the motion, and it was unanimously passed.

Adjournment

The meeting was adjourned at 5:00 P.M.

Next Meeting

December 5, 1967.

Summary of Remarks of W. Stell Huie at MARTA meeting,
November 7, 1967 - re Amendments to MARTA Legislation-1968

1. Section 9(c) requiring judicial review of the Authority's rate making powers should be eliminated. It is necessary that the Authority have the power to commit to bond purchasers that it can establish rates sufficient to cover the operating cost of the system.
2. Section 10: (a) eliminate the 6% interest limitation found in 10(d).
(b) eliminate the requirement that the bonds be sold by public competitive bidding found in 10(h).
(c) eliminate the requirement that the bonds be sold at par found in 10(h).
(d) amend 10(g) to provide that all "obligations" rather than just bonds will have the qualities of negotiable instruments.
(e) amend 10(p) to provide that the procedure of the revenue bond law as it now exists or may be hereafter amended will apply. It appears that the 1965 version which has since been amended may be referred to in the Act.
3. Section 13(b) must be clarified so as to eliminate any excessive drain of funds by reason of relocation payments which may not be included in estimates of engineers. In this respect we must check on the federal requirements as well as procedures and policies established for relocation payments under other laws.
4. Section 15(c) must be amended so as to provide that after a validation proceeding no contract may be declared void by reason of any conflict of interest.
5. Greater flexibility than is allowed by Section 17 needs to be added for budgeting purposes; however it would appear that the only must requirement herein is that a deficit budget should be allowed during initial year's operations.
6. Section 18 which provides for inspection every three years by an outside engineer is unreasonable and would be too expensive. It should be eliminated. The trust indenture securing the bonds will provide for adequate inspection for the interest of the bond holders.
7. Section 24 must be amended so as to eliminate the requirement that the contracts with participating governments be approved in a referendum by submitting "the extent of the dollar amount or amounts involved."

8. Section 24 and Section 8(i) must be amended so as to authorize the payment of participating governments of operating subsidies if it should become necessary.
9. Section 24(e) should be amended to eliminate the last sentence which says that the authority is subject to and limited by any local act heretofore or hereafter enacted applicable to the local governing body of any local government. This language is troublesome and we don't know exactly what it means.
10. Section 24(k) should be amended to eliminate the prohibition of the use by the City of Atlanta of "its public funds" to support rapid transit when taxes are being levied by Fulton and DeKalb Counties on subjects of taxation within the city limits. Such provision could prevent the city from giving us the benefit of their land office without cost and ceding to us certain rights-of-way and benefits in public streets, etc.
11. Section 24(l) should be amended to authorize contributions and support from any municipality in the five-county area rather than limiting it to the defined term "local government" which is limited to the City of Atlanta and the participating counties.
12. Section 2(j) should be amended so as to clearly authorize the capitalizing of interest during construction as well as start-up costs with respect to each section of the system as it is begun. This section should also be amended so as to include the total cost of the system as defined in 2(g).
13. Section 6(i-2) should be amended to eliminate the last sentence or to make it clear how a showing that the leasing or purchasing of a privately owned system is essential to rapid transit.
14. Section 8(e) should be amended to eliminate the payment of attorneys' fees to those suing the Authority for trespass.
15. Section 12 should be amended so as to provide the Authority with the power of eminent domain.
16. Section 21(d) regarding the exemption of the Authority from regulation by public service commission, etc. is ambiguous and should be clarified.
17. Section 22 should be reworded so as to allow the Authority to establish self-insurance reserves.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
BUDGET REPORT
OCTOBER 31, 1967

	<u>BUDGET</u> 1967	<u>ACTUAL</u> JANUARY 1, 1967 TO OCTOBER 31, 1967
Unappropriated Surplus	<u>\$128,281.64</u>	<u>\$128,281.64</u>
<u>INCOME</u>		
Appropriations:		
City of Atlanta	\$ 84,030.00	\$ 84,030.00
Clayton County	23,190.00	17,392.50
DeKalb County	82,770.00	82,770.00
Fulton County	91,800.00	91,800.00
Gwinnett County	<u>18,210.00</u>	<u>13,657.50</u>
Sub-Totals	<u>\$300,000.00</u>	<u>\$289,650.00</u>
Interest Income	<u>\$ 5,520.00</u>	<u>\$ 3,853.00</u>
Federal Funds:		
702 Loan	\$ 95,000.00	\$ 90,000.00
Section 9 Grant	276,000.00	135,402.54
Interest - Federal Funds	<u>0</u>	<u>597.46</u>
Sub-Totals	<u>\$371,000.00</u>	<u>\$226,000.00</u>
TOTAL INCOME	<u>\$676,520.00</u>	<u>\$519,503.00</u>
TOTAL INCOME AND UNAPPROPRIATED SURPLUS	<u>\$804,801.64</u>	<u>\$647,784.64</u>
<u>EXPENSES</u>		
Staff Cost:		
Salaries	\$ 68,950.00	\$ 53,226.44
Expense	10,500.00	8,881.92
Benefits:		
Social Security	1,109.00	1,168.13
Guaranty Fund	533.00	533.34
Health and Accident Insurance	1,680.00	993.05
Retirement	10,000.00	300.54
Workmen's Compensation	<u>99.00</u>	<u>104.00</u>
Sub-Totals	<u>\$ 92,871.00</u>	<u>\$ 65,207.42</u>
Board Meetings	<u>\$ 3,150.00</u>	<u>\$ 2,700.00</u>
Administrative and Office Overhead:		
Rent	\$ 3,000.00	\$ 2,500.00
Communication and Postage	2,000.00	1,595.84
Furniture and Equipment	2,000.00	532.81
Supplies	3,600.00	2,293.58
Printing	1,000.00	623.56
Auditor	250.00	250.00
Accountant	1,000.00	750.00
Public Information	33,000.00	22,615.83
Advisory	5,000.00	1,551.95
Insurance:		
Public Liability	72.00	55.00
Depository and Forgery	56.00	56.27
Fidelity Bond	<u>199.00</u>	<u>198.60</u>
Sub-Totals	<u>\$ 51,177.00</u>	<u>\$ 33,023.44</u>
CARRIED FORWARD	<u>\$147,198.00</u>	<u>\$100,930.86</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
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<u>EXPENSES</u>		
Brought Forward	<u>\$147,198.00</u>	<u>\$100,930.86</u>
Counsel	<u>\$ 20,000.00</u>	<u>\$ 10,758.61</u>
Consultants:		
Atlanta Region Metropolitan Planning Commission	\$ 31,250.00	\$ 29,939.00
Urban Design Study:		
Section 9	32,667.00	16,000.00
Matching	16,333.00	16,333.00
Atlanta Transit Study:		
Section 9	3,333.00	0
Matching	1,667.00	1,667.00
Hammer, Greene and Siler	0	4,742.09
Parsons Brinkerhoff-Tudor-Bechtel:		
702 Loan	95,000.00	90,000.00
Section 9:		
Federal	240,000.00	120,000.00
Matching	120,000.00	130,364.00
Retainer Agreement	60,000.00	19,335.54
Research and Technical Services	<u>2,000.00</u>	<u>2,475.84</u>
Sub-Totals	<u>\$602,250.00</u>	<u>\$430,856.47</u>
TOTAL EXPENSES	<u>\$769,448.00</u>	<u>\$542,545.94</u>
SURPLUS	<u>\$ 35,353.64</u>	<u>\$105,238.70</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
ATLANTA, GEORGIA
STATEMENT OF FINANCIAL CONDITION
OCTOBER 31, 1967

ASSETS

Cash in Banks:		
C & S National Bank	\$ 52,164.36	
First National Bank	3,119.80	
Trust Company of Georgia	1,000.00	
Fulton National Bank - Section 9	38,333.00	
Investments:		
U. S. Treasury Bills	102,350.85	
Petty Cash	<u>25.00</u>	
TOTAL ASSETS		\$196,993.01

LIABILITIES

Accounts Payable	\$ 2,592.36	
Payroll Taxes Withheld and Accrued	1,037.13	
Reserves:		
ARMPC - Urban Design Study	8,333.00	
Atlanta Transit Study	1,667.00	
Parsons Brinckerhoff-Tudor-Bechtel:		
Section 9 Matching	70,364.00	
Retainer Agreement:		
Transportation Study	\$1,500.00	
Public Information	2,000.00	
Surveying	<u>4,260.82</u>	<u>7,760.82</u>
TOTAL LIABILITIES		<u>91,754.31</u>
SURPLUS		<u>\$105,238.70</u>

File

MINUTES OF THE TWENTY-FIRST MEETING OF THE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

NOVEMBER 7, 1967

The Board of Directors of the Metropolitan Atlanta Rapid Transit Authority held its regular meeting on November 7, 1967, at 3:30 P.M., in the Glenn Building Conference Room, Atlanta. Mr. Richard H. Rich, Chairman, presided.

MEMBERS PRESENT:

Robert F. Adamson (City of Atlanta)
Sanford Atwood (DeKalb County)
M. C. Bishop (Fulton County)
Roy A. Blount (DeKalb County)
Rawson Haverty (City of Atlanta)
L. D. Milton (City of Atlanta)
Richard H. Rich (City of Atlanta)

MEMBERS ABSENT:

Edgar Blalock (Clayton County)
K. A. McMillon (Gwinnett County)

OTHERS PRESENT:

Metropolitan Atlanta Rapid Transit Authority

H. L. Stuart, General Manager
King Elliott, Public Information Director
Earl Nelson, Chief Engineer
H. N. Johnson, Secretary to General Manager

Consultants

Walter Douglas, Parsons, Brinckerhoff, Quade & Douglas,
New York
J. A. Coil, Resident Manager, Parsons, Brinckerhoff-Tudor
Bechtel, Atlanta
Leon Eplan, Eric Hill Associates, Atlanta
W. Stell Huie, Huie & Harland, Atlanta
George Goodwin, Bell & Stanton, Atlanta
Bill Bates, Bell & Stanton, Atlanta

Financial Advisors and Bond Counsel

Lloyd Hatcher, White, Weld & Company, New York
Dan O'Conner, King & Spalding, Atlanta
John Mobley, Gambrell & Mobley, Atlanta

Others

T. M. Callaway, DeKalb County Commissioner
Aubrey Couch, Decatur-DeKalb Development Association
Don Ingram, Central Atlanta Progress, Inc.
Margaret Hurst, Atlanta Constitution
Mrs. Rachel Champagne, J. D. Wingfield, Jr., Jerry Coursey,
Atlanta Region Metropolitan Planning Commission

The meeting was called to order by the Chairman.

Minutes

Upon motion by Mr. Bishop, seconded by Mr. Adamson, the minutes of the October meeting were unanimously approved.

Financial Report

The General Manager presented the financial report as of October 30, 1967, which is attached hereto and made a part of these minutes. He reported receipt of funds from Gwinnett County during the month, making it current in its appropriations to the Authority. Mr. Stuart said expenditures for the year would be less than anticipated, and a surplus of \$105,238 was projected. There were no questions, and Mr. Bishop made a motion that the financial report be approved. Dr. Atwood seconded the motion and it was unanimously passed.

Report of General Manager

Mr. Stuart said over sixty meetings had been held with various agencies in the area concerned with transportation and planning, as the 702 work of the engineers had begun to reflect preliminary drawings in more detail. Mr. Nelson, Chief Engineer, presented a map showing expressways existing, under construction, and proposed. He said the MARTA engineers were working with State Highway Department engineers on all future improvements planned for the expressway system, in an effort to coordinate all transportation planning.

Mr. Rich suggested the possibility of a spur line off Lenox Road in the center of the freeway to Sandy Springs be considered as part of the long-range plan. He felt it would be a logical and relatively inexpensive way to accommodate the projected explosive growth in Sandy Springs.

Mr. Callaway of the DeKalb County Commission inquired about the possibility of having a station in Court Square in Decatur instead of along the railroad near Agnes Scott College. He said officials of Agnes Scott would like to have it as far from the College as possible, and officials of Decatur and DeKalb County would like to have it as near the center of Decatur as possible.

Mr. Callaway mentioned urban renewal land available in the heart of Decatur, and asked that this be considered at an early date. Mr. Aubrey Couch, representing the Decatur-DeKalb Development Association, also endorsed the exploration of the use of Decatur's urban renewal land for a transit station, parking, etc.

In connection with Mr. Callaway's request, Mr. Blount asked if it would be feasible to send an engineer to Decatur to talk about the requests for changes. Mr. Coil said this would be done, and Mr. Callaway requested that DeKalb County officials be included in such a meeting.

Mr. Rich said the site along the railroad had been proposed as the most economical, but the plans were tentative, and public hearings would be held in all jurisdictions, and all suggestions considered before the Authority adopted a final plan.

The General Manager said meetings with all of the railroads would be completed within one week. Preliminary engineering plans had been left with the engineers of the railroads for study. It was the consensus of the Board that the time was approaching when the Board should begin to seriously negotiate with the policymaking heads of the railroads. In response to a question, Mr. Walter Douglas replied that as soon as the railroad engineers had time to absorb the plans, it would be well to seek agreement on operational and political feasibility, leaving the question of money estimates until there had been a favorable bond issue and money was available with which to negotiate.

Mr. Haverly made a motion that the 701 report be sent to the heads of the railroads at the appropriate time, with a personal letter from the Chairman of the Authority. The motion was unanimously passed.

Reports by Consultants

Parsons, Brinckerhoff-Tudor, Bechtel

Mr. John Coil said the 701 report had been printed and was being bound. The popular report, which was to be a condensed version of the 701 report, would be in draft form for review within a week by ARMPC and MARTA, and would be printed within about three weeks.

He said studies of refinement were continuing, and the engineers continued to make evaluations as to use of construction, patronage, etc., and to consider alternate solutions or revisions in the recommendations.

Eric Hill Associates

Mr. Leon Eplan said the comments of his firm on three of the lines had been given to the engineers, the Planning Commission, and the Authority. Work on the other line would be completed soon, and the writing of the final report had begun. It was hoped their final report would be available by the end of the year.

Report of ARMPC Planning Director

Mr. J. D. Wingfield, Jr., ARMPC Planning Director, reviewed the proposed amendment to the Section 9 application, approved by the MARTA Board at its October 3rd meeting. He said the amendment request had been filed with the Department of Housing and Urban Development as of October 3, 1967. This extension would involve the use of Alan M. Voorhees Associates to give an objective appraisal of transit planning to date. The study was expected to cost \$10,000 in local money, and to take approximately three months. This study, hopefully, would satisfy the interests of the Department of Housing and Urban Development and the Bureau of Public Roads in their efforts to coordinate various public investments in transportation, as well as their concern for the broader impact of transit on the region.

Mr. Rich mentioned the possibility of additional studies in the future, to examine coordination with the existing bus system.

Report of Legal Counsel

Mr. Stell Huie of Huie and Harland, Counsel for the Authority, introduced Mr. Lloyd Hatcher of White, Weld & Company,

financial advisors of New York, and Mr. Dan O'Conner of King and Spalding, and Mr. John Mobley of Gambrell and Mobley, both bond counsel firms of Atlanta. Mr. Huie said several meetings had been held to develop a financial plan which would be practical, with bonds at the lowest possible interest.

After discussing various ways of financing, it was recommended that a committee be appointed to work with the financial advisors, bond counsel, and Hammer, Greene, Siler Associates, to develop current recommendations which could be used in support of a bond issue.

The Chairman appointed Mr. Adamson, Dr. Atwood, and Mr. Huie as a committee to work with financial advisors, bond counsel and Hammer, Greene, Siler Associates, to refine and review such variables as interest rates and inflation factors, in an effort to be certain a realistic millage rate would be used in presenting a bond issue to the public.

The Chairman also appointed Mr. Haverty as Chairman, together with Mr. Blount and Mr. Bishop, as a committee to work in the area of public information under the direction of Mr. George Goodwin of Bell and Stanton, to develop the best way to present the plan to the public for referendum.

Upon motion by Mr. Blount, seconded by Dr. Atwood, the Board unanimously concurred in the appointment of these two committees by the Chairman.

Mr. Huie reviewed 17 proposed amendments to the MARTA legislation, which counsel considered important, and suggested that new legislation incorporating these amendments be submitted to the Legislature in the January session. The suggested changes are attached to and made a part of these minutes.

Dr. Atwood made a motion that Counsel be given authority to draft legislation incorporating the proposed amendments and submit it to local governments and legislative representatives of local governments for study. Mr. Bishop seconded the motion, and it was unanimously passed.

Adjournment

The meeting was adjourned at 5:00 P.M.

Next Meeting

December 5, 1967.

Summary of Remarks of W. Stell Huie at MARTA meeting,
November 7, 1967 - re Amendments to MARTA Legislation-1968

1. Section 9(c) requiring judicial review of the Authority's rate making powers should be eliminated. It is necessary that the Authority have the power to commit to bond purchasers that it can establish rates sufficient to cover the operating cost of the system.
2. Section 10: (a) eliminate the 6% interest limitation found in 10(d).
(b) eliminate the requirement that the bonds be sold by public competitive bidding found in 10(h).
(c) eliminate the requirement that the bonds be sold at par found in 10(h).
(d) amend 10(g) to provide that all "obligations" rather than just bonds will have the qualities of negotiable instruments.
(e) amend 10(p) to provide that the procedure of the revenue bond law as it now exists or may be hereafter amended will apply. It appears that the 1965 version which has since been amended may be referred to in the Act.
3. Section 13(b) must be clarified so as to eliminate any excessive drain of funds by reason of relocation payments which may not be included in estimates of engineers. In this respect we must check on the federal requirements as well as procedures and policies established for relocation payments under other laws.
4. Section 15(c) must be amended so as to provide that after a validation proceeding no contract may be declared void by reason of any conflict of interest.
5. Greater flexibility than is allowed by Section 17 needs to be added for budgeting purposes; however it would appear that the only must requirement herein is that a deficit budget should be allowed during initial year's operations.
6. Section 18 which provides for inspection every three years by an outside engineer is unreasonable and would be too expensive. It should be eliminated. The trust indenture securing the bonds will provide for adequate inspection for the interest of the bond holders.
7. Section 24 must be amended so as to eliminate the requirement that the contracts with participating governments be approved in a referendum by submitting "the extent of the dollar amount or amounts involved."

8. Section 24 and Section 8(i) must be amended so as to authorize the payment of participating governments of operating subsidies if it should become necessary.
9. Section 24(e) should be amended to eliminate the last sentence which says that the authority is subject to and limited by any local act heretofore or hereafter enacted applicable to the local governing body of any local government. This language is troublesome and we don't know exactly what it means.
10. Section 24(k) should be amended to eliminate the prohibition of the use by the City of Atlanta of "its public funds" to support rapid transit when taxes are being levied by Fulton and DeKalb Counties on subjects of taxation within the city limits. Such provision could prevent the city from giving us the benefit of their land office without cost and ceding to us certain rights-of-way and benefits in public streets, etc.
11. Section 24(l) should be amended to authorize contributions and support from any municipality in the five-county area rather than limiting it to the defined term "local government" which is limited to the City of Atlanta and the participating counties.
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METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
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OCTOBER 31, 1967

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SURPLUS	<u>\$ 35,353.64</u>	<u>\$105,238.70</u>

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 ATLANTA, GEORGIA
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 OCTOBER 31, 1967

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Trust Company of Georgia	1,000.00	
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NEWS

from MARTA

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

808 GLENN BUILDING / ATLANTA, GEORGIA 30303 / TELEPHONE AREA 404 524-5711

King Elliott, Public Information Director

g 18

Oct. 26, 1966

EDITORS, NEWS DIRECTORS: (For your information.)

The next meeting of the Board of Directors of the Metropolitan Atlanta Rapid Transit Authority will be held

November 1, 1966, at 3:30 P.M.

6th Floor Conference Room

Glenn Building

120 Marietta St., N. W.

One item which is expected to come up is the appointment of a fiscal agent for the Authority. The Authority has heard presentations from several firms seeking appointment as fiscal agent. The "Fiscal Agent" would advise MARTA on all aspects of financing the rapid transit system.

2/18

November 1, 1967

Mr. Richard H. Rich, Chairman
Metropolitan Atlanta Rapid Transit Authority
45 Broad Street, S. W.
Atlanta, Georgia 30303

Dear Dick:

In view of the fact that a determination will soon be made on the federal level as to whether the Urban Mass Transportation Act should be left in the Department of Housing and Urban Development or transferred to the Department of Transportation, the National League of Cities is considering the position it should take on this matter.

The Transportation and Communications Committee of NLC has scheduled a meeting for the last week of this month, at which time I will be asked - - as vice chairman of the committee - - to make a recommendation; and I am writing you to ask for the benefit of your feelings and reasons for same.

Sincerely,



Sam Massell, Jr.

SMJr:nd

cc: The Hon. Ivan Allen, Jr. ✓

g/18

October 24, 1967

MEMORANDUM

To: Mr. Charles L. Davis

From: R. Earl Landers

We are attaching hereto the proposed budget of the Metropolitan Atlanta Rapid Transit Authority.

If we do not already have the information, I think it would be well for us to secure a complete roster of the directors and employees of all of the agencies to which we contribute showing salaries proposed. This will enable us to at least make some comparisons as to the salaries being paid by the various agencies with those we are able to pay to our officials.

REL:lp

Attachment

7-10
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

GLENN BUILDING / ATLANTA, GEORGIA 30303 / AREA CODE 404 524-5711

OFFICERS:

**Richard H. Rich, Chairman
Roy A. Blount, Vice Chairman
Glenn E. Bennett, Secretary
Henry L. Stuart, General Manager**

October 16, 1967

Honorable Ivan Allen, Jr., Mayor
City of Atlanta
City Hall
Atlanta, Georgia.

Dear Mayor Allen:

I am enclosing financial statement of the Metropolitan
Atlanta Rapid Transit Authority as of September 30, 1967.

Sincerely yours,

H L Stuart

H. L. Stuart,
General Manager.

cal
HLS:JJ

Enclosure

cc: Mr. Milton G. Farris
Mr. Charles L. Davis

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
BUDGET REPORT
AUGUST 31, 1967

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702 Loan	\$ 95,000.00	\$ 60,000.00
Section 9 Grant	276,000.00	67,686.12
Interest - Federal Funds	0	597.46
Sub-Totals	<u>\$371,000.00</u>	<u>\$128,283.58</u>
TOTAL INCOME	<u>\$676,520.00</u>	<u>\$331,057.35</u>
TOTAL INCOME AND UNAPPROPRIATED SURPLUS	<u>\$804,801.64</u>	<u>\$459,338.99</u>
<u>EXPENSES</u>		
Staff Cost:		
Salaries	\$ 68,950.00	\$ 41,380.94
Expenses	10,500.00	7,048.24
Benefits:		
Social Security	1,109.00	1,088.89
Guaranty Fund	533.00	400.00
Health and Accident Insurance	1,680.00	758.13
Retirement	10,000.00	300.54
Workmen's Compensation	99.00	104.00
Sub-Totals	<u>\$ 92,871.00</u>	<u>\$ 51,080.74</u>
Board Meetings	<u>\$ 3,150.00</u>	<u>\$ 2,200.00</u>
Administrative and Office Overhead:		
Rent	\$ 3,000.00	\$ 2,000.00
Communications and Postage	2,000.00	1,254.16
Furniture and Equipment	2,000.00	117.81
Supplies	3,600.00	1,854.58
Printing	1,000.00	623.56
Auditor	250.00	250.00
Accountant	1,000.00	500.00
Public Information	33,000.00	15,025.20
Advisory	5,000.00	977.35
Insurance:		
Public Liability	72.00	55.00
Depository and Forgery	56.00	56.27
Fidelity Bond	199.00	198.60
Sub-Totals	<u>\$ 51,177.00</u>	<u>\$ 22,912.53</u>
CARRIED FORWARD	<u>\$147,198.00</u>	<u>\$ 76,193.27</u>

SENATE BILL 111

By: Senators Johnson of the 42nd, Wesberry of the 37th, MacIntyre of the 40th and others

A BILL

To be entitled an Act To amend an Act known as the "Metropolitan Atlanta Rapid Transit Authority Act of 1965," approved March 10, 1965 (Ga. Laws 1965, p. 2243), as amended, particularly by an Act approved March 4, 1966 (Ga. Laws 1966, p. 3264), so as to authorize the Metropolitan Atlanta Rapid Transit Authority to publicize its activities and functions; to authorize said Authority to invest and reinvest any and all idle funds or monies in certain specified investments, to authorize said Authority to exercise the power of eminent domain and the procedure in connection therewith; to change the provisions relating to the obtaining of personal services by the Authority; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

Section 1. An Act known as the Metropolitan Atlanta Rapid Transit Authority Act of 1965, approved March 10, 1965 (Ga. Laws 1965, p. 2243), as amended, particularly by an Act approved March 4, 1966 (Ga. Laws 1966, p. 3264), is further amended by inserting in Section 8 of said Act following subsection (p) thereof, two (2) new subsections which shall be known as subsections (q) and (r), and which shall read as follows:

"(q) The power to publicize in any way it may deem proper any and all activities and functions of the Authority, including but not limited to, the results of any activities conducted pursuant to subsection (e) of this Section;

"(r) The power to invest and reinvest any or all idle funds or monies, including but not limited to, funds held in reserve or debt retirement, or received through the issuance of revenue certificates or from contributions, gifts or grants, which cannot be immediately used for the purpose for which received, in any security or securities which are legal investments for Executors or Trustees, provided, however, that such investments in such securities will, at all times, be held for and when sold used for the purposes for which the money was originally received."

Section 2. Said Act is further amended by striking therefrom Section 12 thereof in its entirety and inserting in lieu thereof a new Section which shall read as follows:

"12. The Authority shall have the power of eminent domain for the purpose of acquiring property needed for the purposes of the Authority. Condemnation proceedings for the acquisition of such property shall be in accordance with the provisions contained in Chapters 36-1 through 36-6, of the Code of Georgia of 1933, as amended, Chapter 36-11 of the Code of Georgia of 1933, as amended, or any and all other procedures now or hereafter granted by the laws and Constitution of Georgia, including but not limited to the procedure set forth in an Act approved March 13, 1957 (Ga. Laws 1957, p. 387), as amended, to persons or corporations having the privilege of exercising the right of eminent domain. In addition to such power of eminent domain, the City of Atlanta and the Counties of Fulton, DeKalb, Clayton and Gwinnett (and the County of Cobb in the event that it shall participate) may for the purposes of the

Authority exercise the broadest power of eminent domain available to them or any agency or joint agency thereof, under any Statute, and convey to the Authority any property so acquired upon payment or credit for the total cost of any acquisition hereunder. However, no local governing body shall exercise any power of eminent domain hereunder with respect to property located beyond its territorial limits."

Section 3. Said Act is further amended by striking therefrom, subsection (b) of Section 8 thereof, in its entirety, and inserting in lieu thereof a new subsection which shall read as follows:

"(b) The power to appoint, select and employ officers, agents and employees, including engineering, architectural and construction experts, fiscal agents and attorneys, to contract for the services of individuals or organizations not employed full time by the Authority, but who are engaged primarily in the rendition of personal services and not the sale of goods or merchandise, such as but not limited to the services of attorneys, accountants, engineers, architects, consultants and advisors, allowing suitable compensation and to make provisions for group insurance, retirement or other employee benefit arrangements."

Section 4. All laws or parts of laws in conflict with this Act are hereby repealed.

NOTE: We also request that the last sentence in Section 14 (a) be deleted and in lieu thereof the following substituted:

Nothing in this Section shall apply to contracts for professional services or the personal services of employees, or to contracts for services of individuals or organizations not employed full time by the Authority but who are engaged primarily in the rendition of personal services and not the sale of goods and merchandise, such as but not limited to the services of attorneys, accountants, engineers, architects, consultants and advisors.

A BILL

An Act to amend an Act known as the "Metropolitan Atlanta Rapid Transit Authority Act of 1965," approved March 10, 1965 (Ga. Laws 1965, p. 2243), as amended, particularly by an Act approved March 4, 1966 (Ga. Laws 1966, p. 3264), so as to clarify what costs may be capitalized as costs of a rapid transit system or project; to delete the requirement of a showing that the acquisition of a privately owned transportation system is essential to the development of rapid transit in the metropolitan area; to delete a provision subjecting said Authority to liability for certain attorneys fees of adverse parties; to indicate which public bodies said Authority may contract with pertaining to its purposes; to authorize local governments to pay operational subsidies and to contract with said Authority relative thereto; to eliminate the provision for judicial review of charges or services fixed by said Authority; to delete requirements that revenue bonds of said Authority be sold upon competitive bidding, at par and bearing interest at a rate not exceeding six per cent per annum; to provide that all obligations issued by said Authority shall have the qualities and incidents of negotiable instruments; to clarify the procedure for the validation of revenue bonds; to limit the sources from which relocation payments may be made; to provide that contracts and transactions constituting security for the payment of obligations shall not be voidable after validation; to expand the period of time within which budgets shall be proposed and reviewed; to delete the requirement of an engineering survey every three years; to clarify the relation of the Authority to the Public Service Commission; to permit the Authority to act as a self-insurer; to modify the procedures whereby local governments and other public bodies may participate in financing and supporting a rapid transit system; to renumber certain sections of the Act; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF
GEORGIA:

Section 1. An Act known as the Metropolitan Atlanta Rapid Transit Authority Act of 1965, approved March 10, 1965 (Ga. Laws 1965, p. 2243), as amended, particularly by an Act approved March 4, 1966 (Ga. Laws 1966, p. 3264), is further amended by striking therefrom subsection (j) of Section 2 in its entirety and inserting in lieu thereof a new subsection (j) which shall read as follows:

"(j) Cost of Rapid Transit System or Project. According to accepted principles of accounting, the total cost, paid or incurred, to study, plan, design, finance, acquire, construct or otherwise develop the component parts of a rapid transit system or rapid transit project to a normal operating or revenue-producing condition, including the capitalization of expenses, direct or indirect, paid or incurred, in connection therewith. Without intending to limit to clarify what costs may be capitalized as costs of a rapid transit system or project in any way those expenses which may be capitalized as set forth in the preceding sentence, it is understood that such expenses shall include interest which it is estimated will accrue on obligations issued by the Authority to finance the construction of any rapid transit system or project during the construction period and for six (6) months thereafter and all start-up costs incurred in placing such system or project in operation."

Section 2. Said Act is further amended by striking therefrom subsection (i)(2) of Section 6 in its entirety and inserting in lieu thereof a new subsection (i)(2) which shall read as follows:

to delete the require-
ment of a showing
that the acquisition
of a privately owned
transportation system
is essential to the
development of rapid
transit in the metro-
politan area

"(2) The purchase or lease of any privately owned
system of transportation of passengers for hire in its
entirety, or any substantial part thereof, as contemplated
in section 8(c) or 8(d)."

Section 3. Said Act is further amended by striking therefrom
subsection (e) of Section 8 in its entirety and inserting in lieu thereof
a new subsection (c) which shall read as follows:

"(c) The power to develop data, plans and information
and develop and carry out mass transportation demonstra-
tion projects, including the development, testing and dem-
onstration of new facilities, equipment, techniques and
methods, and the improvement and utilization of transpor-
tation services and facilities, and any other means of de-
veloping, utilizing or improving mass transportation in
urban areas. Also, in other respects, the power to conduct
engineering, financial and economic studies, to make plans,
designs and tests related to rapid transit projects. In con-
nection therewith the Authority may enter in a reasonable
manner upon any lands, waters or premises for the purpose
of making reasonable surveys, soundings, drillings and ex-
aminations and such entries shall not be deemed a trespass
except that the Authority shall be liable for any actual
and consequential damages resulting from such entries."

to delete a provision
subjecting said
Authority to liability
for certain attorneys
fees of adverse
parties

Section 4. Said Act is further amended by striking therefrom
subsection (i) of Section 8 in its entirety and inserting in lieu thereof a
new subsection (i) which shall read as follows:

"(i) The power to enter into contracts with the State
of Georgia and any agency, instrumentality, authority,

municipality or political subdivision thereof or therein, and particularly with the local governments within the metropolitan area, for public transportation services to be rendered by the Authority or its rapid transit system, and for any other purposes incidental

to the establishment and maintenance of its rapid transit system, or any part or project thereof, including the payment of funds to subsidize the operations of such system if it should ever be necessary to do so, and the usual facilities related thereto."

Section 5. Said Act is further amended by striking therefrom subsection (c) of Section 9 in its entirety and inserting in lieu thereof a new subsection (c) which shall read as follows:

"(c) The Board shall determine by itself exclusively after public hearings as hereinafter provided, the routes, types of construction, equipment, facilities, and the scope and standards of service to be operated by the Authority, the scheduled services to be made available to the public and the amounts to be charged therefor. Before making any determinations as to scheduled services or amounts to be charged therefor, the Board shall first hold at least one public hearing after giving notice of the time and place by twice advertising on different days in the newspaper having the largest circulation in the metropolitan area not more than ten days nor less than five days prior to the hearing. As to all other matters, the Board may hold such public hearings as it may deem appropriate, and as

to indicate which public bodies said Authority may contract with pertaining to its purposes and to clarify the power of local governments to pay operational subsidies

to eliminate the provision for judicial review of charges or services fixed by said Authority

to all public hearings, it may prescribe reasonable rules and regulations to govern such hearings not inconsistent with this Act."

Section 6. Said Act is further amended by striking therefrom subsection (d) of Section 10 in its entirety and inserting in lieu thereof a new subsection (d) which shall read as follows:

"(d) The bonds of each issue shall be dated, shall bear interest payable at such times and at such rate or rates, and shall mature in such amounts and at such times not exceeding forty (40) years from the date thereof, as the Board may determine. The bonds may be in coupon or registered form, or both, as the Board may determine, and the Board may make provision for the registration of any coupon bond as to principal alone and also as to both principal and interest."

to delete requirements that revenue bonds of said Authority be sold at par and bearing interest at a rate not exceeding six per cent per annum

Section 7. Said Act is further amended by striking therefrom subsection (g) of Section 10 in its entirety and inserting in lieu thereof a new subsection (g) which shall read as follows:

"(g) All bonds, interim receipts, interim certificates, temporary bonds, equipment trust certificates and other obligations issued under the provisions of this Act shall have all the qualities and incidents of negotiable instruments under the laws of this state and are hereby declared to be issued for an essential public and governmental purpose, and the property, obligations and interest on the obligations of the Authority shall be exempt from all taxation within the State."

to provide that all obligations issued by said Authority shall have the qualities and incidents of negotiable instruments

Section 8. Said Act is further amended by striking therefrom subsection (h) of Section 10 in its entirety and inserting in lieu thereof a new subsection (h) which shall read as follows:

"(h) Bonds of the Authority may be sold by public competitive bidding or through negotiation with a prospective purchaser or purchasers. If the Board determines that sale by public competitive bidding is in the best interest of the Authority with respect to any particular issue of bonds, the advertising of the notice of sale and invitation to bid with respect thereto shall be advertised as is customarily done in the handling of governmental bond issues and section 14(b) as to these matters shall not apply."

Section 9. Said Act is further amended by striking therefrom subsection (p) of Section 10 in its entirety and inserting in lieu thereof a new subsection (p) which shall read as follows:

"(p) Bonds of the Authority shall be confirmed and validated, insofar as applicable, in accordance with the procedure of the Revenue Bond Law (Ga. L. 1937, p. 761, et. seq.) as now or hereafter amended. The petition for validation shall also make party defendant to such action any municipality, county, authority, subdivision, instrumentality or department of the State of Georgia, if subject to be sued, which has contracted with the Authority for the services and facilities of the project for which bonds are to be issued and sought to be validated and such municipality, county, authority, subdivision, instrumentality or department shall be

to delete the requirement that bonds be sold at public competitive bidding

to clarify the procedure for the validation of revenue bonds

required to show cause, if any, why such contract or contracts and the terms and conditions thereof should not be inquired into by the court and the validity of the terms thereof to be determined and the contract or contracts adjudicated as security for the payment of any such bonds of the Authority.

The judgment of validation shall be final and conclusive with respect to such bonds, and the security therefor, against the Authority, and against any municipality, county, authority, subdivision, instrumentality or department of the State of Georgia, if a party to the validation proceedings, contracting with the Authority."

Section 10. Said Act is further amended by striking therefrom subsection (b) of Section 13 in its entirety and inserting in lieu thereof a new subsection (b) which shall read as follows:

"(b) The Authority shall have the power to prepare plans for and assist in the relocation of persons (including individuals, families, business concerns, nonprofit organizations and others) displaced by operations of the Authority in carrying out a rapid transit project, and to make relocation payments to or with respect to such persons. The relocation payments referred to in this subsection (b) shall not be made from the proceeds derived from the sale of bonds by the Authority nor from revenues or funds which absent the making of such relocation payments therefrom would stand as a pledge for the payment of bonds of the Authority or the interest thereon."

to limit the sources from which relocation payments may be made

Section 11. Said Act is further amended by striking therefrom subsection (c) of Section 15 in its entirety and inserting in lieu thereof a new subsection (c) which shall read as follows:

"(c) Any contract or transaction of the Authority involving a conflict of interest not disclosed under subsection (a) hereof, or a violation of the act of the General Assembly approved March 10, 1964, (1964 Ga. L. p. 261), as amended, or a violation of any other provision of law applicable to the Authority, its Board members, officers, or employees regulating conflicts of interest, shall be voidable by the Board; provided, however, a judgment and order validating bonds of the Authority, as in Section 10 provided, shall constitute a final and conclusive adjudication that no such conflict of interest exists with respect to such bonds or any contract or transaction which constitutes security for the payment of such bonds."

Section 12. Said Act is further amended by striking therefrom subsection (b) of Section 17 in its entirety and inserting in lieu thereof a new subsection (b) which shall read as follows:

"(b) During each fiscal year the Board shall propose an annual operating budget for the ensuing fiscal year and hold a public hearing thereon. After such public hearing the Board shall review its proposed budget, and, on or before the last day of the fiscal year, it shall adopt an annual operating budget for the ensuing fiscal year. In the annual operating budget each operating fund shall be set forth separately and show an estimate of the fund balance to be available at the beginning of the year, an

to provide that contracts and transactions constituting security for the payment of obligations shall not be voidable after validation

to expand the period of time within which budgets shall be proposed and reviewed

estimate of anticipated credits during the year according to source, an estimate of anticipated charges, including capital outlay or debt service properly to be financed from anticipated revenues, and comparative data on the last two completed fiscal years and similar data, actual or estimated, for the current year."

Section 13. Said Act is further amended by striking therefrom

Section 18 which reads as follows:

"Section 18. Engineering Survey. At least every three years, the Board shall employ a firm of qualified independent engineers to survey the condition of the standpoint and make a report thereof and any recommendations for improvement in its physical facilities and operating procedures. Copies of such report shall be furnished to each local governing body of each local government in the metropolitan area."

to delete the requirement of an engineer-Authority's facilities and operations from an engineering survey every three years

in its entirety.

Section 14. Said Act is further amended by striking therefrom subsection (b) of Section 21 in its entirety and inserting in lieu thereof a new subsection (b) which shall read as follows:

"(b) The Authority shall also be exempt from any regulation by the Public Service Commission of this State."

to clarify the relation of the Authority to the Public Service Commission

Section 15. Said Act is further amended by striking therefrom Section 22 in its entirety and inserting in lieu thereof a new Section 22 which shall read as follows:

"Section 22. Tort Liability; Insurance. The Authority shall not enjoy governmental immunity from tort liability,

but shall be liable therefor as any private corporation except that no execution shall be levied on any property of the Authority prior to ninety (90) days from the date of a final judgment against the Authority. The Authority shall provide for adequate insurance or similar protection against any loss, liability or other risk, hazard or responsibility to which it may be exposed or which it may accept on account of its property, personnel, or operations. Such insurance may be provided through self-insurance reserves or by contracts or arrangements with other parties in such manner and amounts as the Board in its discretion shall determine."

to permit the Authority to act as a self-insurer

Section 16. Said Act is further amended by striking therefrom Section 24 in its entirety and inserting in lieu thereof a new Section 24 which shall read as follows:

"Section 24. Local Government Participation. (a) Provision for a rapid transit system within the metropolitan area is declared for the purposes of this Act to be an essential governmental function and a public purpose of the City of Atlanta and the counties of Fulton, DeKalb, Clayton and Gwinnett, and of the county of Cobb if it hereafter determines to participate in the Authority as provided in this Act.

to modify the procedures whereby local governments and other public bodies may participate in financing and supporting a rapid transit system

(b) The Board and the local governing body of the City of Atlanta and each of the counties of Fulton, DeKalb, Clayton, and Gwinnett, and of the county of Cobb if it hereafter determines to participate in the Authority as provided in this Act, subject to such limitations as are hereinafter in this section set forth, may negotiate

and determine the extent of financial participation and the time or times such financial participation may be required with respect to each of the local governments in order to finance provision for a rapid transit system through the joint instrumentality of the Authority. If such determination contemplates a contractual obligation on the part of a local government to make payments to the Authority over a period of time exceeding one year or to issue any bonds or other obligations evidencing indebtedness, such determination shall take the form of a rapid transit contract to be entered into between the Authority and the local government. The final execution of a rapid transit contract shall be completed in every instance in the manner hereinafter set forth in this Section 24.

(c) As one method of providing the financial participation determined by its local governing body to be its proper share of the cost of financing a rapid transit project or projects, a local government may in the manner prescribed by law and subject to the conditions and limitations prescribed by law, issue its general obligation bonds, pay over the proceeds thereof to the Authority and thereby complete and make final the execution of the proposed rapid transit contract anticipated by such bond authorization and issuance and the Authority shall agree in such contract to perform for such local government the aforesaid governmental function and to provide the necessary transportation services and facilities.

(d) As an alternative method of providing the financial participation determined by its local governing body to be its proper share

of the cost of financing a rapid transit project or projects, a local government may enter into a rapid transit contract or contracts calling for the Authority to perform for it the aforesaid governmental function and calling for it to make periodic payments to the Authority for the public transportation services and facilities contracted for, which payments may include amounts required to defray the periodic principal and interest payments on any obligations issued by the Authority for the purpose of financing the cost of any rapid transit project or projects, amounts necessary to establish and maintain reasonable reserves in connection with the payment of said debt service and amounts required to defray any operational deficit which the system or any part thereof may incur.

(e) A local governing body may proceed on its own resolution to complete and make final the execution of a rapid transit contract such as is described in subsection (d) if it determines that the financial participation required thereunder may reasonably be financed without the levy of any new or increased tax on the property situated within its territory. In this event, the resolution of the local governing body that the participation required thereunder may reasonably be financed without the levy of any new or increased tax on the property situated within its territory shall be conclusive of that fact.

(f) Otherwise, before a rapid transit contract such as is described in subsection (d) is executed between the Authority and a local government, the local governing body shall call an election and shall submit to the qualified voters of such

local government in a referendum as hereinafter provided, the question whether or not the local government should enter into a rapid transit contract or contracts calling for it to make periodic payments to the Authority within the particular monetary limitation or limitations proposed by such local governing body.

(g) The procedure for holding the referendum called for in subsection (f) shall be as follows: The local governing body shall cause to be published in a newspaper having general circulation throughout the territory of the local government involved, once each week for three weeks immediately preceding the week during which the referendum is to be held, a notice to the electors thereof that on the day named therein an election will be held to determine the question whether or not the local government shall enter into a rapid transit contract or contracts calling for it to make periodic payments to the Authority within the particular monetary limitation or limitations proposed by such governing body. Such special election shall be held at all the election districts within the territorial limits of the local government involved except that an election called by the local governing body of any county within the metropolitan area shall not be held in any part of such county which is within the territorial limits of the City of Atlanta if, with respect to the particular rapid transit project or projects to be supported by the proposed rapid transit contract of such county, said City is already a party to a rapid transit contract or the governing body of said City proposes to enter into a rapid transit contract subject to the approval thereof at a referendum. The question to be presented to the electorate of a local government and set

forth on the ballot shall be determined by the local governing body and it shall set out the monetary limitation or limitations, if any, proposed by the local governing body with respect to the amounts of the periodic payments to be made under any such rapid transit contract or contracts. The ballot submitting the question shall be in a form determined by the local governing body, and the form of the ballot shall be published as a part of the aforesaid notice. Each such election called by the governing body of a county within the metropolitan area under the provisions of this subsection is hereby declared to be a county election and shall be governed by and conducted in accordance with the provisions of the Georgia Election Code. The board of registrars of each county shall provide the necessary lists for conducting any such election held within its county. After consolidation, the ordinary shall transmit the returns of such an election to the local governing authority calling the election, or its delegate, who shall officially declare the result. Each election called by the governing body of the City of Atlanta under the provisions of this subsection shall be governed by and conducted in accordance with the provisions of law, including specifically the charter of said City, at the time governing the holding of elections by said City. The expense of any such election called by the governing body of the City of Atlanta shall be paid by the City of Atlanta.

(h) If a majority of those voting in such an election vote in favor of the proposition submitted, then the local

governing body shall be authorized to agree upon and complete and make final the execution of a rapid transit contract or contracts subject to such monetary limitation or limitations as were proposed to the electorate and in accordance with the terms of this Act.

(i) A local government may elect any method provided in this section to finance the participation required of it in whole or in part, and the election of one method shall not preclude the election of another method with respect thereto or with respect to any additional or supplementary participation determined to be necessary.

(j) When the Authority and a local government have completed and fully executed a rapid transit contract in compliance with the requirements of this Act, such contract shall constitute an obligation on the part of the local government for the payment of which its good faith and credit are pledged, but in no other way can the good faith and credit of any local government be pledged with respect to a rapid transit contract.

(k) Any local government may use public funds to provide for a rapid transit system within the metropolitan area and may levy and collect any taxes authorized to it by law to the extent necessary to fulfill the obligations incurred in a rapid transit contract or contracts with the Authority; provided, that no local county government shall have the power to levy any tax on any subject of taxation situated within the territorial limits of the City of Atlanta in fulfillment of financial obligations set forth in a rapid transit contract when the City of Atlanta has a

rapid transit contract with the Authority calling for said City to issue its general obligation bonds for rapid transit purposes or to pay monies periodically with respect to the debt service on obligations issued by the Authority, and is itself using its public funds or levying a tax for either of such purposes.

(1) Any municipality or county within the metropolitan area may transfer to the Authority any property or facilities, or render any services, with or without consideration, which may be useful to the establishment, operation or administration of the rapid transit system contemplated hereunder, and may contract with the Authority for any other purpose incidental to the establishment, operation or administration of such system, or any part or project thereof or the usual facilities related thereto."

Section 17. Said Act is further amended by renumbering Sections 19, 20, 21, 22, 23, 24, 25 and 26 thereof so that hereafter said Sections shall be known as Sections 18, 19, 20, 21, 22, 23, 24 and 25, respectively, and any references in said Act, as heretofore amended by said Act approved March 4, 1966 and by the preceding language of this amendatory Act, to any of said Sections 19, 20, 21, 22, 23, 24, 25 and 26 as they were known prior to the adoption of this amendatory Act, are hereby changed so that such references hereafter shall be to said Sections as renumbered.

to renumber
certain
sections of
the Act

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
 BUDGET REPORT
 SEPTEMBER 30, 1967

	<u>BUDGET</u> 1967	<u>ACTUAL</u> JANUARY 1, 1967 TO SEPTEMBER 30, 1967
Unappropriated Surplus	<u>\$128,281.64</u>	<u>\$128,281.64</u>
<u>INCOME</u>		
Appropriations:		
City of Atlanta	\$ 84,030.00	\$ 63,022.50
Clayton County	23,190.00	17,392.50
DeKalb County	82,770.00	62,077.50
Fulton County	91,800.00	68,850.00
Gwinnett County	18,210.00	13,657.50
Sub-Totals	<u>\$300,000.00</u>	<u>\$225,000.00</u>
Interest Income	<u>\$ 5,520.00</u>	<u>\$ 3,663.17</u>
Federal Funds:		
702 Loan	\$ 95,000.00	\$ 60,000.00
Section 9 Grant	276,000.00	135,402.54
Interest - Federal Funds	0	597.46
Sub-Totals	<u>\$371,000.00</u>	<u>\$196,000.00</u>
TOTAL INCOME	<u>\$676,520.00</u>	<u>\$424,663.17</u>
TOTAL INCOME AND UNAPPROPRIATED SURPLUS	<u>\$804,801.64</u>	<u>\$552,944.81</u>
<u>EXPENSES</u>		
Staff Cost:		
Salaries	\$ 68,950.00	\$ 47,203.22
Expenses	10,500.00	7,863.00
Benefits:		
Social Security	1,109.00	1,151.16
Guaranty Fund	533.00	400.00
Health and Accident Insurance	1,680.00	875.59
Retirement	10,000.00	300.54
Workmen's Compensation	99.00	104.00
Sub-Totals	<u>\$ 92,871.00</u>	<u>\$ 57,897.51</u>
Board Meetings	<u>\$ 3,150.00</u>	<u>\$ 2,400.00</u>
Administrative and Office Overhead:		
Rent	\$ 3,000.00	\$ 2,250.00
Communication and Postage	2,000.00	1,448.94
Furniture and Equipment	2,000.00	117.81
Supplies	3,600.00	1,978.78
Printing	1,000.00	623.56
Auditor	250.00	250.00
Accountant	1,000.00	500.00
Public Information	33,000.00	17,009.03
Advisory	5,000.00	1,077.35
Insurance:		
Public Liability	72.00	55.00
Depository and Forgery	56.00	56.27
Fidelity Bond	199.00	198.60
Sub-Totals	<u>\$ 51,177.00</u>	<u>\$ 25,565.34</u>
CARRIED FORWARD	<u>\$147,198.00</u>	<u>\$ 85,862.85</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
 BUDGET REPORT
 SEPTEMBER 30, 1967

	<u>BUDGET</u> 1967	<u>ACTUAL</u> JANUARY 1, 1967 TO SEPTEMBER 30, 1967
TOTAL INCOME AND UNAPPROPRIATED SURPLUS BROUGHT FORWARD	<u>\$804,801.64</u>	<u>\$552,944.81</u>
<u>EXPENSES</u>		
Brought Forward	<u>\$147,198.00</u>	<u>\$ 85,862.85</u>
Counsel	<u>\$ 20,000.00</u>	<u>\$ 9,758.61</u>
Consultants:		
Atlanta Region Metropolitan Planning Commission	\$ 31,250.00	\$ 29,939.00
Urban Design Study:		
Section 9	32,667.00	16,000.00
Matching	16,333.00	15,293.00
Atlanta Transit Study:		
Section 9	3,333.00	0
Matching	1,667.00	1,563.00
Hammer, Greene and Siler	0	4,742.09
Parsons-Brinkerhoff-Tudor-Bechtel:		
702 Loan	95,000.00	60,000.00
Section 9:		
Federal	240,000.00	60,000.00
Matching	120,000.00	112,411.00
Retainer Agreement	60,000.00	16,182.67
Research and Technical Services	2,000.00	2,255.84
Sub-Totals	<u>\$602,250.00</u>	<u>\$318,386.60</u>
TOTAL EXPENSES	<u>\$769,448.00</u>	<u>\$414,008.06</u>
SURPLUS	<u>\$ 35,353.64</u>	<u>\$138,936.75</u>

METROPOLITNA ATLANTA RAPID TRANSIT AUTHORITY
ATLANTA, GEORGIA

STATEMENT OF FINANCIAL CONDITION

SEPTEMBER 30, 1967

ASSETS

Cash in Banks:		
C & S National Bank		\$25,768.91
First National Bank		2,907.26
Trust Company of Georgia		1,000.00
Fulton National Bank - Section 9		90,000.00
Investments:		
U. S. Treasury Bills		99,229.40
Petty Cash		
		25.00
Accounts Receivable:		
Gwinnett County - 1967	\$13,657.50	
Gwinnett County - 1966	<u>4,552.50</u>	<u>18,210.00</u>
TOTAL ASSETS		\$237,140.57

LIABILITIES

Accounts Payable		\$ 549.86
Payroll Taxes Withheld and Accrued		1,779.01
Reserves:		
ARMPC - Urban Design Study		7,293.00
Atlanta Transit Study		1,563.00
Parsons-Beinckerhoff-Tudor-Bechtel:		
Section 9 Matching		82,411.00
Retainage Agreement:		
Transportation Study	\$ 139.37	
Public Information	207.76	
Surveying	<u>4,260.82</u>	<u>4,607.95</u>
TOTAL LIABILITIES		<u>98,203.82</u>
SURPLUS		<u>\$138,936.75</u>

RAC

MINUTES OF THE TWENTIETH MEETING OF THE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

OCTOBER 3, 1967

The Board of Directors of the Metropolitan Atlanta Rapid Transit Authority held its regular meeting on October 3, 1967, at 3:30 P.M. in the Glenn Building Conference Room, Atlanta. Mr. Roy A. Blount, Vice Chairman, presided.

MEMBERS PRESENT:

Robert F. Adamson (City of Atlanta)
Sanford Atwood (DeKalb County)
M. C. Bishop (Fulton County)
Roy A. Blount (DeKalb County)
Rawson Haverty (City of Atlanta)
K. A. McMillon (Gwinnett County)
L. D. Milton (City of Atlanta)

MEMBERS ABSENT:

Edgar Blalock (Clayton County)
Richard H. Rich (City of Atlanta)

OTHERS PRESENT:

Metropolitan Atlanta Rapid Transit Authority

H. L. Stuart, General Manager
Glenn E. Bennett, Secretary
King Elliott, Public Information Director
Earl Nelson, Chief Engineer
H. N. Johnson, Secretary to General Manager

Consultants

Walter Douglas, Parsons, Brinckerhoff, Quade & Douglas,
New York
Gerald M. Sturman, Parsons, Brinckerhoff, Quade & Douglas,
New York
W. O. Salter, Parsons, Brinckerhoff-Tudor, Bechtel,
San Francisco

Consultants (Cont'd.)

J. A. Coil, Resident Manager, Parsons, Brinckerhoff-Tudor,
Bechtel, Atlanta
Leon Eplan, Eric Hill Associates, Atlanta
W. Stell Huie, Huie & Harland, Atlanta
Tom Watson Brown, Huie & Harland, Atlanta

Others

Paul Muldawer, Muldawer & Patterson, Atlanta
Maartin Den Hartog, Lord & Den Hartog, New York
Stan Lorch, Lord & Den Hartog, New York
H. Boyer Marx, American Society of Landscape Architects
and MARTA Advisory Committee
P. A. Springer, Atlanta Traffic and Safety Council
William Fletcher, White, Weld & Co., New York City
George B. Pilkington, Bureau of Public Roads
Roger D. Lewis, Bureau of Public Roads
John D. Prien, Jr., Executive Director, Georgia Society
of Professional Engineers
Bill Schemmel, Marietta Daily Journal
Dick Hebert, Atlanta Constitution
Dave Donaldson, Securities News
Leroy Powell, WAGA-TV
Don Bridges, WAGA-TV

Mrs. Margaret C. Breland, Jerry A. Coursey, Mrs. Rachel
Champagne, Miss Claudette Parrish, Atlanta Region
Metropolitan Planning Commission

The meeting was called to order by the Vice Chairman.

Minutes

Upon motion by Mr. Bishop, seconded by Mr. Adamson, the minutes of the September meeting were unanimously approved and the actions of the August meeting were ratified.

Financial Report

The General Manager presented the financial report as of September 30, 1967, which is attached hereto and made a part of these minutes. Gwinnett County was in arrears for one-half of its 1967 commitment. Mr. McMillon reported on a meeting held with Gwinnett

County Commissioners and stated payment would be forthcoming. Cash balance would be in line once the recent bill from Parsons, Brinckerhoff-Tudor, Bechtel was audited and paid.

Section 9 Amendment

The General Manager recommended approval of a resolution authorizing an application to HUD for an amendment to the current Section 9 project and a contract between MARTA and the Atlanta Region Metropolitan Planning Commission for a three-month study to meet statutory requirements for a coordinated transportation and transit plan required by the Department of Housing and Urban Development. This work would be performed by Alan M. Voorhees and Associates, the cost of which would not exceed \$30,000--\$10,000 local money and \$20,000 from HUD. The following resolution was unanimously passed:

WHEREAS, local funds in the amount of \$10,000 are available as matching funds for additional work necessary to expand the scope of HUD Contract No. H-771 as set forth in the Amendment request presented to this Board;

THEREFORE BE IT RESOLVED, that this Authority request \$20,000 additional funds to expand the scope of the technical studies, Section 9 Grant (HUD Contract No. H-771) and approve the Amendment request; and

FURTHER RESOLVED, that H. L. Stuart, General Manager of this Authority, be and hereby is authorized and directed to take any and all further actions and to execute for this Authority any and all documents as may be reasonably necessary to make and obtain such request.

Huie and Harland

Mr. Huie stated that there was now a need for bond counsel to assist in preparation of bond issues. There were only two firms in Atlanta specializing in this area and they both were interested in doing this work. He suggested the firm of King & Spalding be retained as bond counsel, with Gambrell & Mobley as associate bond counsel. This would not involve any commitment of money this year. Upon motion by Mr. Bishop, seconded by Mr. Atwood, the following resolution was passed:

RESOLVED, that the recommendations of General Counsel with regard to Bond Counsel are approved and that King & Spalding be named Bond Counsel and that Gambrell & Mobley

be named Associate Bond Counsel to the Authority with the understanding that Bond Counsel will report to the Authority through General Counsel.

Report of Secretary

Mr. Bennett reported on recent meetings held with Mr. Robert Sommerville, President of the Atlanta Transit System, and stated he thought any misunderstanding had now been removed. Mr. Sommerville had said he would study MARTA's 701 report before making any further statements. He also expressed an interest in meeting with MARTA's consultants for briefings. Mr. Haverty commended this effort.

General Manager

Mr. Stuart recommended appointment of a committee made up of members of the Board to approve the procedures under which public hearings and meetings were to be conducted as well as to conduct such hearings and meetings. A design review committee should also be formed and the Finance Committee reactivated. Mr. Bishop suggested the formation of a public relations committee. Upon motion by Mr. Bishop and seconded by Mr. Adamson, it was agreed that Messrs. Rich, Blount and Stuart should appoint these committees and that Mr. Huie prepare bylaws.

Mr. Stuart stated that in the past Mr. McBrayer of Parsons, Brinckerhoff-Tudor, Bechtel had represented MARTA at meetings of the Technical Coordinating Committee and the consultants were reimbursed under the retainer agreement. He requested approval of the Board to make adjustments under the retainer agreement now that the Chief Engineer of MARTA would replace Mr. McBrayer. He also requested authorization for \$2,000 for graphics under the retainer agreement. Upon motion by Mr. Bishop and seconded by Mr. Adamson, those two requests were approved.

Consultants

Parsons, Brinckerhoff-Tudor, Bechtel

Mr. Coil reported that the design firm of Lord and Den Hartog had completed final drawings for the stations. He stated the 701 report was at the printer and copies should be available for the next Board meeting. Mr. Haverty urged that steps be taken to expedite completion of the report.

At the briefing prior to the Board meeting, a table had been presented showing costs of the system for the metropolitan area as it related to the 65-mile system.

The report from Law Engineering Company on soil samples would be ready within the next month; however, PBTB had been using the information developed by that firm on a daily basis. Liaison was being continued with the State Highway Department, municipalities, cities and counties. Meetings had been held with the railroads. In response to a question from Mr. Haverty, Mr. Coil said that his firm was getting excellent cooperation from the Highway Department and the railroads.

It was mentioned that the General Manager had had at least ten conferences with the railroads, all of which were most satisfactory.

Eric Hill Associates

Mr. Eplan stated work was almost finished on the impact of the system on certain facilities such as schools and fire stations. The report on the impact on the poor and disadvantaged was being written. The firm's current effort was giving line-by-line reviews to the General Manager and engineers on recommendations as to possible changes, conflicts and opportunities for development. Reviews had been submitted on the east and west lines. He commented that relationships with the engineers had been very good.

Mr. Muldawer, whose firm is assisting Eric Hill Associates in its work, made a presentation showing potential development around the Cultural Center as it related to rapid transit. The firm will prepare such information regarding ten or twelve key stations.

1968 Proposed Budget

Mr. Stuart presented the proposed budget for 1968. This required only Board review; approval of the budget would be requested at the December meeting. The proposed budget showed a carry-over from 1967 of \$230,000 with income for 1968 estimated to be about \$1.5 million. Income was based on continuing participation of local governments, money appropriated by the State, money authorized by the Department of Housing and Urban Development, as well as anticipated federal funds for applications to be submitted by the first of the year. Operating expenses amounted to approximately \$1.6 million. Mr. Stuart was instructed to forward the proposed budget to the governments after preparing a more detailed explanation for each item.

Rail Equipment

Mr. Douglas discussed the various kinds of rail equipment and pointed out the advantages and disadvantages of each. He recommended to the Board that it consider steel wheels on steel rails. If any other system developed more potential, it should be considered only if it demonstrated substantial savings. Mr. Douglas pointed out that 70-foot cars seating 72 passengers would cost approximately \$200,000 per car.

Adjournment

The Vice Chairman adjourned the meeting at 4:50 P.M.

Next Meeting

November 7, 1967.

METROPOLITAN ATLANTA RAPID TRANSIT SUTHORITY
BUDGET REPORT
SEPTEMBER 30, 1967

	<u>BUDGET</u> 1967	ACTUAL JANUARY 1, 1967 TO SEPTEMBER 30, 1967
Unappropriated Surplus	<u>\$128,281.64</u>	<u>\$128,281.64</u>
<u>INCOME</u>		
Appropriations:		
City of Atlanta	\$ 84,030.00	\$ 63,022.50
Clayton County	23,190.00	17,392.50
DeKalb County	82,770.00	62,077.50
Fulton County	91,800.00	68,850.00
Gwinnett County	18,210.00	13,657.50
Sub-Totals	<u>\$300,000.00</u>	<u>\$225,000.00</u>
Interest Income	<u>\$ 5,520.00</u>	<u>\$ 3,663.17</u>
Federal Funds:		
702 Loan	\$ 95,000.00	\$ 60,000.00
Section 9 Grant	276,000.00	135,402.54
Interest - Federal Funds	0	597.46
Sub-Totals	<u>\$371,000.00</u>	<u>\$196,000.00</u>
TOTAL INCOME	<u>\$676,520.00</u>	<u>\$424,663.17</u>
TOTAL INCOME AND UNAPPROPRIATED SURPLUS	<u>\$804,801.64</u>	<u>\$552,944.81</u>
<u>EXPENSES</u>		
Staff Cost:		
Salaries	\$ 68,950.00	\$ 47,203.22
Expenses	10,500.00	7,863.00
Benefits:		
Social Security	1,109.00	1,151.16
Guaranty Fund	533.00	400.00
Health and Accident Insurance	1,680.00	875.59
Retirement	10,000.00	300.54
Workmen's Compensation	99.00	104.00
Sub-Totals	<u>\$ 92,871.00</u>	<u>\$ 57,897.51</u>
Board Meetings	<u>\$ 3,150.00</u>	<u>\$ 2,400.00</u>
Administrative and Office Overhead:		
Rent	\$ 3,000.00	\$ 2,250.00
Communication and Postage	2,000.00	1,448.94
Furniture and Equipment	2,000.00	117.81
Supplies	3,600.00	1,978.78
Printing	1,000.00	623.56
Auditor	250.00	250.00
Accountant	1,000.00	500.00
Public Information	33,000.00	17,009.03
Advisory	5,000.00	1,077.35
Insurance:		
Public Liability	72.00	55.00
Depository and Forgery	56.00	56.27
Fidelity Bond	199.00	198.60
Sub-Totals	<u>\$ 51,177.00</u>	<u>\$ 25,565.34</u>
CARRIED FORWARD	<u>\$147,198.00</u>	<u>\$ 85,862.85</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
 BUDGET REPORT
 SEPTEMBER 30, 1967

	<u>BUDGET</u> 1967	<u>ACTUAL</u> JANUARY 1, 1967 TO SEPTEMBER 30, 1967
TOTAL INCOME AND UNAPPROPRIATED SURPLUS BROUGHT FORWARD	<u>\$804,801.64</u>	<u>\$552,944.81</u>
<u>EXPENSES</u>		
Brought Forward	<u>\$147,198.00</u>	<u>\$ 85,862.85</u>
Counsel	<u>\$ 20,000.00</u>	<u>\$ 9,758.61</u>
Consultants:		
Atlanta Region Metropolitan Planning Commission	\$ 31,250.00	\$ 29,939.00
Urban Design Study:		
Section 9	32,667.00	16,000.00
Matching	16,333.00	15,293.00
Atlanta Transit Study:		
Section 9	3,333.00	0
Matching	1,667.00	1,563.00
Hammer, Greene and Siler	0	4,742.09
Parsons-Brinkerhoff-Tudor-Bechtel:		
702 Loan	95,000.00	60,000.00
Section 9:		
Federal	240,000.00	60,000.00
Matching	120,000.00	112,411.00
Retainer Agreement	60,000.00	16,182.67
Research and Technical Services	<u>2,000.00</u>	<u>2,255.84</u>
Sub-Totals	<u>\$602,250.00</u>	<u>\$318,386.60</u>
TOTAL EXPENSES	<u>\$769,448.00</u>	<u>\$414,008.06</u>
SURPLUS	<u>\$ 35,353.64</u>	<u>\$138,936.75</u>

METROPOLITNA ATLANTA RAPID TRANSIT AUTHORITY
ATLANTA, GEORGIA

STATEMENT OF FINANCIAL CONDITION

SEPTEMBER 30, 1967

ASSETS

Cash in Banks:		
C & S National Bank		\$25,768.91
First National Bank		2,907.26
Trust Company of Georgia		1,000.00
Fulton National Bank - Section 9		90,000.00
Investments:		
U. S. Treasury Bills		99,229.40
Petty Cash		25.00
Accounts Receivable:		
Gwinnett County - 1967	\$13,657.50	
Gwinnett County - 1966	<u>4,552.50</u>	<u>18,210.00</u>
TOTAL ASSETS		\$237,140.57

LIABILITIES

Accounts Payable		\$ 549.86
Payroll Taxes Withheld and Accrued		1,779.01
Reserves:		
ARMPC - Urban Design Study		7,293.00
Atlanta Transit Study		1,563.00
Parsons-Beinckerhoff-Tudor-Bechtel:		
Section 9 Matching		82,411.00
Retainage Agreement:		
Transportation Study	\$ 139.37	
Public Information	207.76	
Surveying	<u>4,260.82</u>	<u>4,607.95</u>
TOTAL LIABILITIES		<u>98,203.82</u>
SURPLUS		<u>\$138,936.75</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

GLENN BUILDING / ATLANTA, GEORGIA 30303 / AREA CODE 404 524-5711

OFFICERS:

Richard H. Rich, Chairman

Roy A. Blount, Vice Chairman

Glenn E. Bennett, Secretary

Henry L. Stuart, General Manager

October 3, 1967

Mr. Charles L. Davis
City Comptroller
City of Atlanta
City Hall
Atlanta, Georgia.

Dear Mr. Davis:

This will acknowledge receipt of and thank you for check No. 18,559 dated October 2, 1967 from the City of Atlanta in the amount of \$21,007.50 covering the fourth quarterly payment by the City to the operating budget of the Transit Authority.

Your promptness in expediting this matter is indeed appreciated.

With best regards.

Sincerely yours,



H. L. Stuart,
General Manager.

HLS:JJ

cc: ✓ Honorable Ivan Allen, Jr.
Mr. Milton G. Farris
Mr. Rawson Haverty
Mr. Robt. F. Adamson
Mr. L. D. Milton

RLL

MINUTES OF THE NINETEENTH MEETING OF THE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

SEPTEMBER 5, 1967

The Board of Directors of the Metropolitan Atlanta Rapid Transit Authority held its regular meeting on September 5, 1967, at 3:30 P.M. in the Glenn Building Conference Room, Atlanta. Mr. Roy A. Blount, Vice Chairman, presided.

MEMBERS PRESENT:

- Robert F. Adamson (City of Atlanta)
- Sanford Atwood (DeKalb County)
- M. C. Bishop (Fulton County)
- Roy A. Blount (DeKalb County)
- Rawson Haverty (City of Atlanta)

MEMBERS ABSENT:

- Edgar Blalock (Clayton County)
- K. A. McMillon (Gwinnett County)
- L. D. Milton (City of Atlanta)
- Richard H. Rich (City of Atlanta)

OTHERS PRESENT:

Metropolitan Atlanta Rapid Transit Authority

- H. L. Stuart, General Manager
- Glenn E. Bennett, Secretary
- King Elliott, Public Information Director
- Earl Nelson, Chief Engineer
- H. N. Johnson, Secretary to General Manager

MARTA Advisory Committee

- H. Boyer Marx, American Society of Landscape Architects
- Richard Forbes, American Institute of Planners

Consultants

J. A. Coil, Resident Manager, Parsons, Brinckerhoff-Tudor,
Bechtel, Atlanta
Leon Eplan, Eric Hill Associates, Atlanta
W. Stell Huie, Huie & Harland, Atlanta

Others

Joseph Lay, Robinson-Humphrey Company, Inc., Atlanta
William Fletcher, White, Weld & Co., New York City
Thomas J. Pendergrast, Courts & Co.
P. A. Springer, Atlanta Traffic and Safety Council
George B. Pilkington, Bureau of Public Roads
John D. Prien, Jr., Executive Director, Georgia Society
of Professional Engineers
Donald G. Ingram, Central Atlanta Progress, Inc.
J. D. Wingfield, Jr., Mrs. Rachel Champagne, Miss Claudette
Parrish, Atlanta Region Metropolitan Planning Commission

The meeting was called to order by the Vice Chairman.

Minutes

The minutes of the August meeting were unanimously approved by the members present. Due to lack of a quorum, it was agreed that this action would be ratified by the Board at the October meeting.

Financial Report

The General Manager presented the financial report as of August 31, 1967, which is attached hereto and made a part of these minutes. Costs were running according to the budget. Third quarter appropriations had been received from participating governments with the exception of DeKalb and Gwinnett Counties. The tentative budget for fiscal 1968 would be submitted to the Board members for consideration in October.

Progress Reports

General Manager

Mr. Stuart reported that Mr. Nelson had met with officials of the City of Atlanta, Fulton and DeKalb Counties, and the City of

Decatur, and furnished them with sets of the 701 report materials for their study. He was scheduled to meet with East Point and College Park officials to apprise them of transit plans relative to their areas.

The General Manager stated that the final draft of the financial report prepared by Hammer, Greene, Siler Associates had been received and would be submitted to the Board members.

Public Information Director

Mr. Elliott reported that Mr. M. C. Bishop had made rapid transit presentations during the past month before the South Fulton Chamber of Commerce Board of Directors meeting, the College Park Kiwanis Club and the Atlanta Airport Area Rotary Club. At these meetings a film was shown entitled "The Alternate Route"; this was on transportation problems in Los Angeles and its need for a rapid transit system.

Mr. Elliott mentioned a special column that will appear in future issues of Rapid Transit Progress. It will answer various questions about rapid transit and plans; subject matter will consist of "MARTAnswers" by the General Manager.

Chief Engineer

Mr. Nelson reported on his attendance at the Engineering Foundation Research Conference held at Proctor Academy, Andover, New Hampshire, August 14-16, where discussions and presentations on economic and social aspects of urban transportation were stressed. The implementation of new transportation technology was presented by prominent researchers from the federal government and private industry.

Mr. Nelson was instructed to meet with the State Highway Department in connection with the construction of I-485 in order to determine effects this route might have on the transit planning.

Consultants

Parsons, Brinckerhoff-Tudor, Bechtel

Mr. Coil reported on recent soil test borings along the north-south line and exhibited formations of stone taken at various depths. Contractual work for these borings had been completed and was

being analyzed by Law Engineering Testing Company prior to a final report.

Mr. Donald C. Hyde, retired General Manager of the Cleveland Transit System and now an Associated Consultant with Parsons, Brinckerhoff, Quade and Douglas, had visited the PBTB offices recently and rendered valuable guidance on patronage and operations studies under way. Mr. Walter Quintin of BART, San Francisco, had also worked in Atlanta recently and furnished information on train controls.

Mr. Coil said PBTB's text for the 701 report was completed and was going to the printer very soon. Mr. Bennett mentioned that additional copies, over and above the 250 copies called for under the 701 contract, might be requested by the Authority. Mr. Bishop suggested that the General Manager be authorized to secure an appropriate number of additional copies at MARTA's expense. This was agreed.

Mr. Coil reported on progress of Lord & Den Hartog, design consultant for PBTB, in the design work for Transit Center and other stations and said a more detailed report would be made during November. Design concepts of the stations had been presented to those in attendance at the briefing session prior to the meeting.

Eric Hill Associates

Mr. Eplan briefly reported on progress of the impact study; discussions had been held with school authorities, fire department officials, and housing authorities to consider rapid transit plans and their relationship to these particular functions. He said work was continuing; studies were approximately two-thirds complete.

Proposed New Impact Study

Mr. Bennett stated that in view of the studies by Eric Hill Associates and the 701 reports, he had felt there might be duplication of work in the previously submitted work program for the first Section 9 Amendment approved by the Authority at the July meeting. This application had been held up until a revised program was determined and clarified.

Mr. Wingfield said consideration was being given to retaining one of the nation's outstanding transportation experts, Alan Voorhees and Associates of Washington, D. C., to evaluate plans and programs. This could be a valuable addition to the final planning of the transit system. Voorhees would be able to render the

Authority excellent advice and evaluations which would be invaluable as input for the pre-referendum campaign next year.

Mr. Ingram of Central Atlanta Progress stated the transportation consultant selected to advise MARTA would be retained by Central Atlanta Progress in connection with its studies on transportation.

Other Business

Mr. Bennett informed the Board members of a meeting to be held on September 12 in the Highway Board Room, co-sponsored by the State Highway Department and the Atlanta Region Metropolitan Planning Commission. The purpose was to discuss important points relative to overall transportation planning. At the meeting it was expected that a Policy Committee would be organized to render decisions regarding the Atlanta Area Transportation Study. It was hoped this would strengthen coordination of all agencies involved in the total transportation planning program for metropolitan Atlanta. To date AATS had operated without unified policy direction. Invitations had been sent to heads of local governments, Department of Housing and Urban Development, Bureau of Public Roads, MARTA, and the Atlanta Transit System.

Adjournment

The Vice Chairman adjourned the meeting at 4:30 P.M.

Next Meeting

October 3, 1967.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
 BUDGET REPORT
 AUGUST 31, 1967

	<u>BUDGET</u> 1967	<u>ACTUAL</u> JANUARY 1, 1967 TO AUGUST 31, 1967
Unappropriated Surplus	\$128,281.64	\$128,281.64
<u>INCOME</u>		
Appropriations:		
City of Atlanta	\$ 84,030.00	\$ 63,022.50
Clayton County	23,190.00	17,392.50
DeKalb County	82,770.00	41,385.00
Fulton County	91,800.00	68,850.00
Gwinnett County	18,210.00	9,105.00
Sub-Totals	<u>\$300,000.00</u>	<u>\$199,755.00</u>
Interest Income	<u>\$ 5,520.00</u>	<u>\$ 3,018.77</u>
Federal Funds:		
702 Loan	\$ 95,000.00	\$ 60,000.00
Section 9 Grant	276,000.00	67,686.12
Interest - Federal Funds	0	597.46
Sub-Totals	<u>\$371,000.00</u>	<u>\$128,283.58</u>
TOTAL INCOME	<u>\$676,520.00</u>	<u>\$331,057.35</u>
TOTAL INCOME AND UNAPPROPRIATED SURPLUS	<u>\$804,801.64</u>	<u>\$459,338.99</u>
<u>EXPENSES</u>		
Staff Cost:		
Salaries	\$ 68,950.00	\$ 41,380.94
Expenses	10,500.00	7,048.24
Benefits:		
Social Security	1,109.00	1,088.89
Guaranty Fund	533.00	400.00
Health and Accident Insurance	1,680.00	758.13
Retirement	10,000.00	300.54
Workmen's Compensation	99.00	104.00
Sub-Totals	<u>\$ 92,871.00</u>	<u>\$ 51,080.74</u>
Board Meetings	<u>\$ 3,150.00</u>	<u>\$ 2,200.00</u>
Administrative and Office Overhead:		
Rent	\$ 3,000.00	\$ 2,000.00
Communications and Postage	2,000.00	1,254.16
Furniture and Equipment	2,000.00	117.81
Supplies	3,600.00	1,854.58
Printing	1,000.00	623.56
Auditor	250.00	250.00
Accountant	1,000.00	500.00
Public Information	33,000.00	15,025.20
Advisory	5,000.00	977.35
Insurance:		
Public Liability	72.00	55.00
Depository and Forgery	56.00	56.27
Fidelity Bond	199.00	198.60
Sub-Totals	<u>\$ 51,177.00</u>	<u>\$ 22,912.53</u>
CARRIED FORWARD	<u>\$147,198.00</u>	<u>\$ 76,193.27</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
 BUDGET REPORT
 AUGUST 31, 1967

	<u>BUDGET</u> 1967	<u>ACTUAL</u> JANUARY 1, 1967 TO AUGUST 31, 1967
TOTAL INCOME AND UNAPPROPRIATED SURPLUS BROUGHT FORWARD	<u>\$804,801.64</u>	<u>\$459,338.99</u>
<u>EXPENSES</u>		
Brought Forward	<u>\$147,198.00</u>	<u>\$ 76,193.27</u>
Counsel	<u>\$ 20,000.00</u>	<u>\$ 8,758.61</u>
Consultants:		
Atlanta Region Metropolitan Planning Commission	\$ 31,250.00	\$ 29,939.00
Urban Design Study:		
Section 9	32,667.00	16,000.00
Matching	16,333.00	15,293.00
Atlanta Transit Study:		
Section 9	3,333.00	0
Matching	1,667.00	1,563.00
Hammer, Greene and Siler	0	4,742.09
Parsons-Brinckerhoff-Tudor-Bechtel:		
702 Loan	95,000.00	60,000.00
Section 9:		
Federal	240,000.00	60,000.00
Matching	120,000.00	112,411.00
Retainer Agreement	60,000.00	15,115.64
Research and Technical Services	2,000.00	2,035.84
Sub-Totals	<u>\$602,250.00</u>	<u>\$317,099.57</u>
TOTAL EXPENSES	<u>\$769,448.00</u>	<u>\$402,051.45</u>
 SURPLUS	 <u>\$ 35,353.64</u>	 <u>\$ 57,287.54</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
ATLANTA, GEORGIA

STATEMENT OF FINANCIAL CONDITION

AUGUST 31, 1967

ASSETS

Cash in Banks:		
C & S National Bank		\$ 14,296.04
First National Bank - Payroll		2,651.88
Trust Company of Georgia		1,000.00
Fulton National Bank - Section 9		20,976.08
Investments:		
U. S. Treasury Bills		114,812.00
Petty Cash		25.00
Accounts Receivable:		
Gwinnett County - 1967	\$9,105.00	
Gwinnett County - 1966	<u>4,552.50</u>	<u>13,657.50</u>
TOTAL ASSETS		\$167,418.50

LIABILITIES

Accounts Payable		\$ 12,648.37
Payroll Taxes Withheld and Accrued		1,492.14
Reserves:		
ARMP - Urban Design Study		7,293.00
Atlanta Transit Study		1,563.00
Parsons-Brinkerhoff-Tudor-Bechtel:		
Section 9 Matching		82,411.00
Retainer Agreement:		
Transportation Study	\$ 139.37	
Public Information	245.19	
Surveying	<u>4,338.89</u>	<u>4,723.45</u>
TOTAL LIABILITIES		<u>110,130.96</u>
SURPLUS		<u>\$ 57,287.54</u>

File

MINUTES OF THE NINETEENTH MEETING OF THE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

SEPTEMBER 5, 1967

The Board of Directors of the Metropolitan Atlanta Rapid Transit Authority held its regular meeting on September 5, 1967, at 3:30 P.M. in the Glenn Building Conference Room, Atlanta. Mr. Roy A. Blount, Vice Chairman, presided.

MEMBERS PRESENT:

Robert F. Adamson (City of Atlanta)
Sanford Atwood (DeKalb County)
M. C. Bishop (Fulton County)
Roy A. Blount (DeKalb County)
Rawson Haverty (City of Atlanta)

MEMBERS ABSENT:

Edgar Blalock (Clayton County)
K. A. McMillon (Gwinnett County)
L. D. Milton (City of Atlanta)
Richard H. Rich (City of Atlanta)

OTHERS PRESENT:

Metropolitan Atlanta Rapid Transit Authority

H. L. Stuart, General Manager
Glenn E. Bennett, Secretary
King Elliott, Public Information Director
Earl Nelson, Chief Engineer
H. N. Johnson, Secretary to General Manager

MARTA Advisory Committee

H. Boyer Marx, American Society of Landscape Architects
Richard Forbes, American Institute of Planners

Consultants

J. A. Coil, Resident Manager, Parsons, Brinckerhoff-Tudor,
Bechtel, Atlanta
Leon Eplan, Eric Hill Associates, Atlanta
W. Stell Huie, Huie & Harland, Atlanta

Others

Joseph Lay, Robinson-Humphrey Company, Inc., Atlanta
William Fletcher, White, Weld & Co., New York City
Thomas J. Pendergrast, Courts & Co.
P. A. Springer, Atlanta Traffic and Safety Council
George B. Pilkington, Bureau of Public Roads
John D. Prien, Jr., Executive Director, Georgia Society
of Professional Engineers
Donald G. Ingram, Central Atlanta Progress, Inc.
J. D. Wingfield, Jr., Mrs. Rachel Champagne, Miss Claudette
Parrish, Atlanta Region Metropolitan Planning Commission

The meeting was called to order by the Vice Chairman.

Minutes

The minutes of the August meeting were unanimously approved by the members present. Due to lack of a quorum, it was agreed that this action would be ratified by the Board at the October meeting.

Financial Report

The General Manager presented the financial report as of August 31, 1967, which is attached hereto and made a part of these minutes. Costs were running according to the budget. Third quarter appropriations had been received from participating governments with the exception of DeKalb and Gwinnett Counties. The tentative budget for fiscal 1968 would be submitted to the Board members for consideration in October.

Progress Reports

General Manager

Mr. Stuart reported that Mr. Nelson had met with officials of the City of Atlanta, Fulton and DeKalb Counties, and the City of

Decatur, and furnished them with sets of the 701 report materials for their study. He was scheduled to meet with East Point and College Park officials to apprise them of transit plans relative to their areas.

The General Manager stated that the final draft of the financial report prepared by Hammer, Greene, Siler Associates had been received and would be submitted to the Board members.

Public Information Director

Mr. Elliott reported that Mr. M. C. Bishop had made rapid transit presentations during the past month before the South Fulton Chamber of Commerce Board of Directors meeting, the College Park Kiwanis Club and the Atlanta Airport Area Rotary Club. At these meetings a film was shown entitled "The Alternate Route"; this was on transportation problems in Los Angeles and its need for a rapid transit system.

Mr. Elliott mentioned a special column that will appear in future issues of Rapid Transit Progress. It will answer various questions about rapid transit and plans; subject matter will consist of "MARTAnswers" by the General Manager.

Chief Engineer

Mr. Nelson reported on his attendance at the Engineering Foundation Research Conference held at Proctor Academy, Andover, New Hampshire, August 14-16, where discussions and presentations on economic and social aspects of urban transportation were stressed. The implementation of new transportation technology was presented by prominent researchers from the federal government and private industry.

Mr. Nelson was instructed to meet with the State Highway Department in connection with the construction of I-485 in order to determine effects this route might have on the transit planning.

Consultants

Parsons, Brinckerhoff-Tudor, Bechtel

Mr. Coil reported on recent soil test borings along the north-south line and exhibited formations of stone taken at various depths. Contractual work for these borings had been completed and was

being analyzed by Law Engineering Testing Company prior to a final report.

Mr. Donald C. Hyde, retired General Manager of the Cleveland Transit System and now an Associated Consultant with Parsons, Brinckerhoff, Quade and Douglas, had visited the PBTB offices recently and rendered valuable guidance on patronage and operations studies under way. Mr. Walter Quintin of BART, San Francisco, had also worked in Atlanta recently and furnished information on train controls.

Mr. Coil said PBTB's text for the 701 report was completed and was going to the printer very soon. Mr. Bennett mentioned that additional copies, over and above the 250 copies called for under the 701 contract, might be requested by the Authority. Mr. Bishop suggested that the General Manager be authorized to secure an appropriate number of additional copies at MARTA's expense. This was agreed.

Mr. Coil reported on progress of Lord & Den Hartog, design consultant for PBTB, in the design work for Transit Center and other stations and said a more detailed report would be made during November. Design concepts of the stations had been presented to those in attendance at the briefing session prior to the meeting.

Eric Hill Associates

Mr. Eplan briefly reported on progress of the impact study; discussions had been held with school authorities, fire department officials, and housing authorities to consider rapid transit plans and their relationship to these particular functions. He said work was continuing; studies were approximately two-thirds complete.

Proposed New Impact Study

Mr. Bennett stated that in view of the studies by Eric Hill Associates and the 701 reports, he had felt there might be duplication of work in the previously submitted work program for the first Section 9 Amendment approved by the Authority at the July meeting. This application had been held up until a revised program was determined and clarified.

Mr. Wingfield said consideration was being given to retaining one of the nation's outstanding transportation experts, Alan Voorhees and Associates of Washington, D. C., to evaluate plans and programs. This could be a valuable addition to the final planning of the transit system. Voorhees would be able to render the

Authority excellent advice and evaluations which would be invaluable as input for the pre-referendum campaign next year.

Mr. Ingram of Central Atlanta Progress stated the transportation consultant selected to advise MARTA would be retained by Central Atlanta Progress in connection with its studies on transportation.

Other Business

Mr. Bennett informed the Board members of a meeting to be held on September 12 in the Highway Board Room, co-sponsored by the State Highway Department and the Atlanta Region Metropolitan Planning Commission. The purpose was to discuss important points relative to overall transportation planning. At the meeting it was expected that a Policy Committee would be organized to render decisions regarding the Atlanta Area Transportation Study. It was hoped this would strengthen coordination of all agencies involved in the total transportation planning program for metropolitan Atlanta. To date AATS had operated without unified policy direction. Invitations had been sent to heads of local governments, Department of Housing and Urban Development, Bureau of Public Roads, MARTA, and the Atlanta Transit System.

Adjournment

The Vice Chairman adjourned the meeting at 4:30 P.M.

Next Meeting

October 3, 1967.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
BUDGET REPORT
AUGUST 31, 1967

	<u>BUDGET</u> 1967	ACTUAL JANUARY 1, 1967 TO AUGUST 31, 1967
Unappropriated Surplus	<u>\$128,281.64</u>	<u>\$128,281.64</u>
<u>INCOME</u>		
Appropriations:		
City of Atlanta	\$ 84,030.00	\$ 63,022.50
Clayton County	23,190.00	17,392.50
DeKalb County	82,770.00	41,385.00
Fulton County	91,800.00	68,850.00
Gwinnett County	18,210.00	9,105.00
Sub-Totals	<u>\$300,000.00</u>	<u>\$199,755.00</u>
Interest Income	<u>\$ 5,520.00</u>	<u>\$ 3,018.77</u>
Federal Funds:		
702 Loan	\$ 95,000.00	\$ 60,000.00
Section 9 Grant	276,000.00	67,686.12
Interest - Federal Funds	0	597.46
Sub-Totals	<u>\$371,000.00</u>	<u>\$128,283.58</u>
TOTAL INCOME	<u>\$676,520.00</u>	<u>\$331,057.35</u>
TOTAL INCOME AND UNAPPROPRIATED SURPLUS	<u>\$804,801.64</u>	<u>\$459,338.99</u>
<u>EXPENSES</u>		
Staff Cost:		
Salaries	\$ 68,950.00	\$ 41,380.94
Expenses	10,500.00	7,048.24
Benefits:		
Social Security	1,109.00	1,088.89
Guaranty Fund	533.00	400.00
Health and Accident Insurance	1,680.00	758.13
Retirement	10,000.00	300.54
Workmen's Compensation	99.00	104.00
Sub-Totals	<u>\$ 92,871.00</u>	<u>\$ 51,080.74</u>
Board Meetings	<u>\$ 3,150.00</u>	<u>\$ 2,200.00</u>
Administrative and Office Overhead:		
Rent	\$ 3,000.00	\$ 2,000.00
Communications and Postage	2,000.00	1,254.16
Furniture and Equipment	2,000.00	117.81
Supplies	3,600.00	1,854.58
Printing	1,000.00	623.56
Auditor	250.00	250.00
Accountant	1,000.00	500.00
Public Information	33,000.00	15,025.20
Advisory	5,000.00	977.35
Insurance:		
Public Liability	72.00	55.00
Depository and Forgery	56.00	56.27
Fidelity Bond	199.00	198.60
Sub-Totals	<u>\$ 51,177.00</u>	<u>\$ 22,912.53</u>
CARRIED FORWARD	<u>\$147,198.00</u>	<u>\$ 76,193.27</u>

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
 BUDGET REPORT
 AUGUST 31, 1967

	<u>BUDGET</u> 1967	<u>ACTUAL</u> JANUARY 1, 1967 TO AUGUST 31, 1967
TOTAL INCOME AND UNAPPROPRIATED SURPLUS BROUGHT FORWARD	<u>\$804,801.64</u>	<u>\$459,338.99</u>
<u>EXPENSES</u>		
Brought Forward	<u>\$147,198.00</u>	<u>\$ 76,193.27</u>
Counsel	<u>\$ 20,000.00</u>	<u>\$ 8,758.61</u>
Consultants:		
Atlanta Region Metropolitan Planning Commission	\$ 31,250.00	\$ 29,939.00
Urban Design Study:		
Section 9	32,667.00	16,000.00
Matching	16,333.00	15,293.00
Atlanta Transit Study:		
Section 9	3,333.00	0
Matching	1,667.00	1,563.00
Hammer, Greene and Siler	0	4,742.09
Parsons-Brinckerhoff-Tudor-Bechtel:		
702 Loan	95,000.00	60,000.00
Section 9:		
Federal	240,000.00	60,000.00
Matching	120,000.00	112,411.00
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