Price Delays Takeover of Key System

Prolonged PUC Condemnation Proceedings May Defer District Operations Until Later This Year

A prolonged legal skirmish threatening to break out between the Alameda-Contra Costa District (ACT) and Key System Transit Lines will prevent the District from commencing operations July 1 as planned.

ACT General Manager John R. Worthington reported this month it is a "definite probability that as a result of recent Key actions, the starting date for district operations will be delayed until September or October at the very earliest."

Key System attorney George Thomas indicated at a recent hearing of the State Public Utilities Commission that the company wants "substantially more" than the values PUC engineers have placed on buses and property sought by the District.

Thomas indicated he would not know the total the company will seek until after more study. The company, in any event, will seek severance damages and compensation for the value of a "going concern," he said.

Key Asking Price

Worthington told a recent meeting of the transit board of directors that Key could well be considering a total price of between $9,000,000 and $10,000,000.

At Key's request, the PUC postponed further hearings for nearly two months, scheduling the next series of hearings to begin on May 10 in San Francisco.

Worthington termed the postponement a "tactic by Key System to delay the case and an attempt to intimidate the District by forcing us to pay a higher price than Key's properties are worth."

"We are prepared to negotiate a fair price based on the valuation as set by the commission," Worthington said. "But it seems apparent from Key's actions that it may be necessary to go through complete condemnation action to insure our securing its assets at a proper price."

Negotiations Continued

The transit official disclosed that district representatives have been meeting with Key officials in an attempt to negotiate a settlement, hoping to speed up the PUC proceedings.

"While we are doing everything possible to promptly put the District into operation," Worthington said, "a failure to arrive at a negotiated settlement that is just would be too high a price to pay."

"Our paramount responsibility is to protect the public's funds by insuring that the price paid to Key is reasonable and in line with true values," he said.

"We shall continue our negotiations with Key System toward securing these values," Worthington added.

The District is seeking 276 of Key's buses, three terminal and storage yards, together with miscellaneous shop equipment and repair facilities.

A $16,500,000 bond issue for facilities was passed by the voters last October.
'Return to Transit' Explained; New Bus Equipment Cited Among Top Four Reasons

A nationally syndicated financial news columnist, Sylvia Porter, has ventured an explanation for the swing back to public transit that is taking place in many cities throughout the country.

"To the astonishment of the New York Transit Authority," she recently reported, "passenger traffic on New York city's subway and bus lines began to skyrocket this past November and the upsurge has kept up right to today."

There are several logical reasons "why," she wrote, and each shouts a lesson and a challenge not only to New York, but also to city officials across the land.

"A first 'why' lies in the blunt fact that increasing numbers of workers and shoppers in New York city's area are getting thoroughly fed up with traffic jams and with agonizing delays in getting to work or to shops by car—and they're returning to mass public transportation."

What confirms this explanation, Miss Porter wrote, is that the big upturn started in November. The Christmas buying season can make a normally irritating traffic jam intolerable.

What suggests that the shift back to public transportation is more than temporary is that the increase has not lessened since, she added.

"A second 'why' lies in the city's building of parking lots on the outskirts to encourage commuters to drive their cars to the city's periphery, park and go the rest of the way by bus or subway.

"Where parking lots have been developed adjacent to highways on which there is heavy traffic as well as to bus and subway lines, there has been a marked increase in the use of public transportation," she reported.

"A third 'why' lies in the new bus equipment which has been put into use by the city in recent months—and provocatively, the biggest traffic upswing has been on bus lines.

"A fourth and potentially tremendously important 'why' in future years lies in the emerging trek back to the cities by families disenchanted with commuting and suburban traffic, school, etc., problems."

"It's an infant trend, but it's beginning. And, when cities really start to make middle-income housing available, the trek back to city living, downtown shopping and mass transportation could be sensational." Miss Porter concludes:

"While millions were abandoning bus and subway travel in the Fifties, the anxious question was, how far down is bottom? Now that they're coming back, the top can be far, far away. The message to all great American cities is brilliantly clear."

Information Committee Named for Transit Vote

A West Contra Costa public information committee was appointed this month for the June 7 election which will decide whether the area will annex to the Alameda-Contra Costa Transit District.

Named to head the committee was Ivan Goyak, former Contra Costa County supervisor and chairman of a citizens committee which recently recommended that the area join the District.

A Richmond subcommittee will be headed by A. J. Furrer.


A separate committee from San Pablo and another from adjacent unincorporated area have yet to be appointed.

What the Editors Are Saying About Transit

Cincinnati (Ohio) Enquirer:

New Buses Seen as Start of New Era

US TRANSPORTATION after many lean years, appears to be undergoing a rebirth in some cities. After 14 years of constantly dwindling numbers of passengers, the Cincinnati Transit Company has experienced a slight gain.

To help turn the tide in its favor, the transit company is putting into service 50 new buses that represent a novel departure from the past. Cincinnatians now have seen the first of them—dramatically styled in blue, with much glass area and, most important, air-conditioning.

At the very least, the novelty of the new vehicles should bring a spurt in passenger revenue and the chances are good that those who board a new bus once may rediscover the advantages of being carried to their destinations by public transport. Everyone who believes in integrated transportation must hope so.

It has been said repeatedly that a city's sustenance is the flow of people into and out of it, and its vigor surely depends upon the ease with which this flow takes place. Where private car traffic represents too great a part of the flow, the stream, as is easily observed, thickens and slows.

Cincinnati's interest lies with the transit company's. The combination of fast, comfortable buses on expressways built should prove a boon to both.

Court Overrules Transit Bond Protest

The validity of the Transit District's $16,500,000 bond issue approved by the voters last October has been upheld in Alameda County Superior Court.

Judge Thomas J. Ledwich, in effect, threw out of court a taxpayers' suit challenging the bond issue. He ruled the suit had no merit and sustained a demurrer filed by the District.

A full, time-consuming trial of the case would have been ordered had the judge not sustained the district argument.

Attorney Marvin C. Hix of San Francisco has indicated he will appeal the ruling. Hix formerly was secretary-treasurer of the Committee for Transit Action which opposed the District's first attempt at a bond issue in 1958.

Hix filed the suit January 15 on behalf of Stanley E. Behneman, Oakland consulting engineer, and Herbert B. Kincaid, San Francisco jeweler living in Berkeley.

The suit had asked the court to find that the District does not have the right, power or authority to issue or sell the bonds.

More Information

A note or phone call to the transit district will place your name on the mailing list for Transit Times if you are not already regularly receiving a copy of the monthly newsletter.

The District also has programs available for group meetings.
At an adjourned regular meeting March 19, 1960, the Board of Directors:

• Approved ordinances containing terms of West Contra Costa annexation agreements and calling for a public hearing April 20 at 4:30 p.m. at district headquarters.

• Declared intention to formally call an annexation election in consolidation with June 7 primary election for unincorporated areas adjacent to cities of Richmond and San Pablo, on motion of Director Copeland.

• Received a report from the General Manager on current status of Key System acquisition. (Details, Page 1.)

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At the regular meeting April 6, 1960, the Board of Directors:

• Referred to Committee on Program Planning a proposed inspection tour of plants of major bus manufacturers and of transit operations in other communities.

• Adjourned meeting to April 20, at 4:30 p.m. in the district offices to conduct public hearing on proposed annexation of Western Contra Costa County, on motion of Director Coburn.

Restaurant Begins Free Bus Service for Noon Customers

DAYTON — A downtown cafeteria has launched a free bus service for its noon customers.

The cafeteria charters a bus to operate over a regular downtown loop. The run takes nine to 10 minutes and makes eight stops daily from 11 a.m. to 1:30 p.m. around a 12-block area.