

4 MAY 1970 TRANSPORT CENTRAL

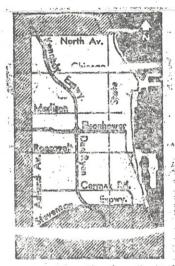
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# NEWSFRONT

### METROPOLITAN REPORT



Proposed special taxing district for new Loon sabway system.

The Chicago city council has voted to create a special taxing district (see map) to raise funds for the proposed Loop area subway system. The establishment of the district is subject to a referendum and, if approved, is to pave the way for the eventual demolition of the Loop "L" structure, Its replacement is to be a subway under Randolph, Franklin, Van Buren and Wabash; also to be constructed under the auspices of the district is a new "collector-distributor" subway under Monroe Street and paralleling Michigan Avenue to a rebuilt McCormick Flace on the south and the high-rise "Gold Coast" district to the north. The Illinois legislature has granted authority to the city to create the district; bonding authority of up to 5% of assessed valuation is to finance the project.

At this juncture, this is still no agreement on a subsidy plan for the Chicago Transit Au-

thority; political haggling yet goes on in Springfield. An increasa in the gas tax seems to be out as a revenue-raising device; property tax increases . a levy on parking seem to be "in".

Peoria City Lines plans to drop all service about May 13; school runs are to continue until the end of the term. Meanwhile, with a referendum set for June, city efforts to continue bus service go on.

Milwaukee's Transport Company has filed for a fare increase of 10¢ (to 40£); corresponding hikes in other rates are also asked ... That young woman allegedly "turned on" by a cable car wreck in San Francisco has been awarded \$50,000 in damages by a local court ... The state of New York has purchased 24 Santa Fe pre-war lightweight for= mer Pullman and lounge cars that the road converted to coaches several years ago. GSI is converting them for commuter service on PC Harlem and Hudson division commuter services ... Baltimore Transit's buses are now under the banner of the Metropolitan Transit Authoriey. The agency, in existence for several years, has signed a 3year contract with Cincinnati-based ATE to manage the system ... In San Francisco, Muni fares are to go up to 25¢ very soon ... . Some of

New York's subway cars are to be equipped with what is in effect a flywheel-generator combination, in an effort to store up the energy of a moving train so that it might be used to assist the train in restarting. Garrett Corporation has devised the system, which will be funded with a DOT grant....The New York legislature has killed a bill that would have enabled construction of a rail spur to Kennedy International Airport; other means of financing are being studied.
...A subsidy to Fox River Bus Lines in Appleton, Wisconsin has been approved by the Appleton common council; at the same time it was announced that bus service in Stevens Point is being discontinued due to lack of sufficient revenues....Burlington Northern commuters in the Chicago area will pay 5% more beginning May 4; only a request for the abolition of student discounts was denied by the Commission.

# AIR/LINES

Bowing to political pressure, Eastern has agreed to continue those Newark-Washington air shuttle runs it thought it would be able to cancel at the end of last month. New Jersey's Congressmen and their aides are among the most frequent users of the service, and their protests forestalled its abandonment. At the same time the airline said it would continue the new five-times-daily reservation-required service over the same route that was to have been the replacement for the shuttle....One way or another, a hotel will be constructed on public land at O'Hare International Airport in Chicago. The city council, though unfamiliar with exact plans for the structure, nevertheless voted to permit a Transnation Development Corporation subsidiary to construct the 688-room structure. Under the terms of the controversial lease, the hotel is to revert to the city after a 20-year period....Pan Am will now deliver your baggage direct to your hotel in San Juan, P.R. (at an extra charge, of course)....Mohawk is to suspend all service to Westchester County Airport in May and June to permit runway repairs to be made at the field.

United Air Lines, stung by a \$15,000,000 loss thus far this year, is to cut back on its flights in an attempt to bring order to its financial house. Some 5% of the line's flights will be trimmed, and perhaps 3% of its employes will be laid off....Transportation Secretary Volpe has come out in favor of a plan to convey Floyd Bennett Field to the city of New York for general avaition use. The facility has been a naval air station...TWA posted a loss of some \$39,000,000 in the first three months of 1970, one of the biggest ever recorded by an airline. Now flying the even larger 74/s, the airline reported that its passenger load factor had dropped to 42.6%, as opposed to a 50% figure in the comparable 1969 period...Pan Am's new 747 service to London from Chicago (the debut of the craft at O'Hare) began on April 26; TWA begins 747 flights there May 14, Lufthansa on May 24, and Air France June 1....The FAA is reported to have compiled a medical dossier on famed laywer F. Lee Bailey, executive director of the proffessional air traffic controllers' organization, in which Counselor Bailey is depicted as "dangerous" and "not responsible".

## BUS BRIEFS

Those 5 PD-4905 cruisers for Harlem's Cheetah Charter Service have been held up at Pontiac for lack of government funds, as yet not having been painted....Greyhound has announced that it will establish "Hound-style" intercity bus transportation within Nigeria within a

few months. The company recently set up similar services in South Korea, and also operates buses in Puerto Rico, the Bahamas, the Virgin Islands and parts of Europe...The ICC has accused Greyhound of weakening its financial position (of the bus subsidiary) in order to pursue its unsuccessful quest to take over Armour & Company. No penalty was imposed, but the Commission severely reprimanded the firm.

### RAILWAY REPORT

A U.S. District Court panel has finally ruled on that appeal of the ICC's decision allowing discontinuance of PC trains 3-30, New York-St. Louis, which have run under court injunction since July 1969. By a 2-1 margin, the Court ruled that PC failed to give a full 30 days' notice in its Section 13a(1) petition, thereby removing ICC authority over discontinuance of the train. Thus the ICC order is null and void.

April 26 schedule changes include discontinuance of trains 71-72-74-75-77-79-83-84-86 and 91 between Springfield and Hartford; and a petition to discontinue 136-137-142 and 147, the remaining Friday-Sunday only service between Danbury and Pittsfield.

Other train-off cases include SCL 51-52, Augusta-Florence, off April 26 (no ICC investigation), and Rock Island's desire to drop 7-10, Chicago-Council Bluffs May 31 (expect a lot of student opposition)...In Illinois, the state Commerce Commission has denied IC's bid to drop 21-22 (the Governor's Special), Chicago-Springfield....The demise of the Milwaukee Pioneer Limited (1-4, Chicago-Minneapolis) has been delayed to September 5 pending hearings.

The ICC has rejected RI's motion to deny Northwest Industries' continuing interest in opposing the Rock Island's merger with UP....The Commission's Review Board has overturned an examiner's recommendation, deciding to allow Minneapolis Industrial Railway to abandon its entire 104 miles of line between Golden Valley and Gluck, Minn. The examiner would have allowed abandonment only west of Hutchinson, but since BN (nee GN) has offered to purchase the trackage at Hutchinson in order to preserve rail service to the remaining major shippers on the North Western subsidiary....In another abandonment case, an ICC examiner has recommended that the petition to abandon the entire 16-mile Coudersport & Port Allegany RR and the 37-mile Galeton (Pa)-Wellsville (NY) portion of the Wellsville, Addison & Galeton be approved.

#### MARITIME MEMO

The Australis, of Chandris Lines (a Greek firm, operating under a Panamanian flag), paused at New York the other day, recalling a better day when the self-same vessel was the America, of United States Lines. The 723-foot ship was sold by US.Lines to Chandris in 1964. The sister ship to the America, the United States, sits idle, probably never to return to passenger service....Bills have been introduced in both House and Senate to exempt the last remaining Mississippi River overnight passenger boat from Federal fire regulations that would bring to an end its proud and long career. The 44-year old Delta Queen is constructed principally of wood and is therefore, according to a 1966 law, unfit for passenger service. It has thus been giver two temporary exemptions from the Act, which have now run out. Since it is never more than a few minutes from shore, permanent relief is asked.