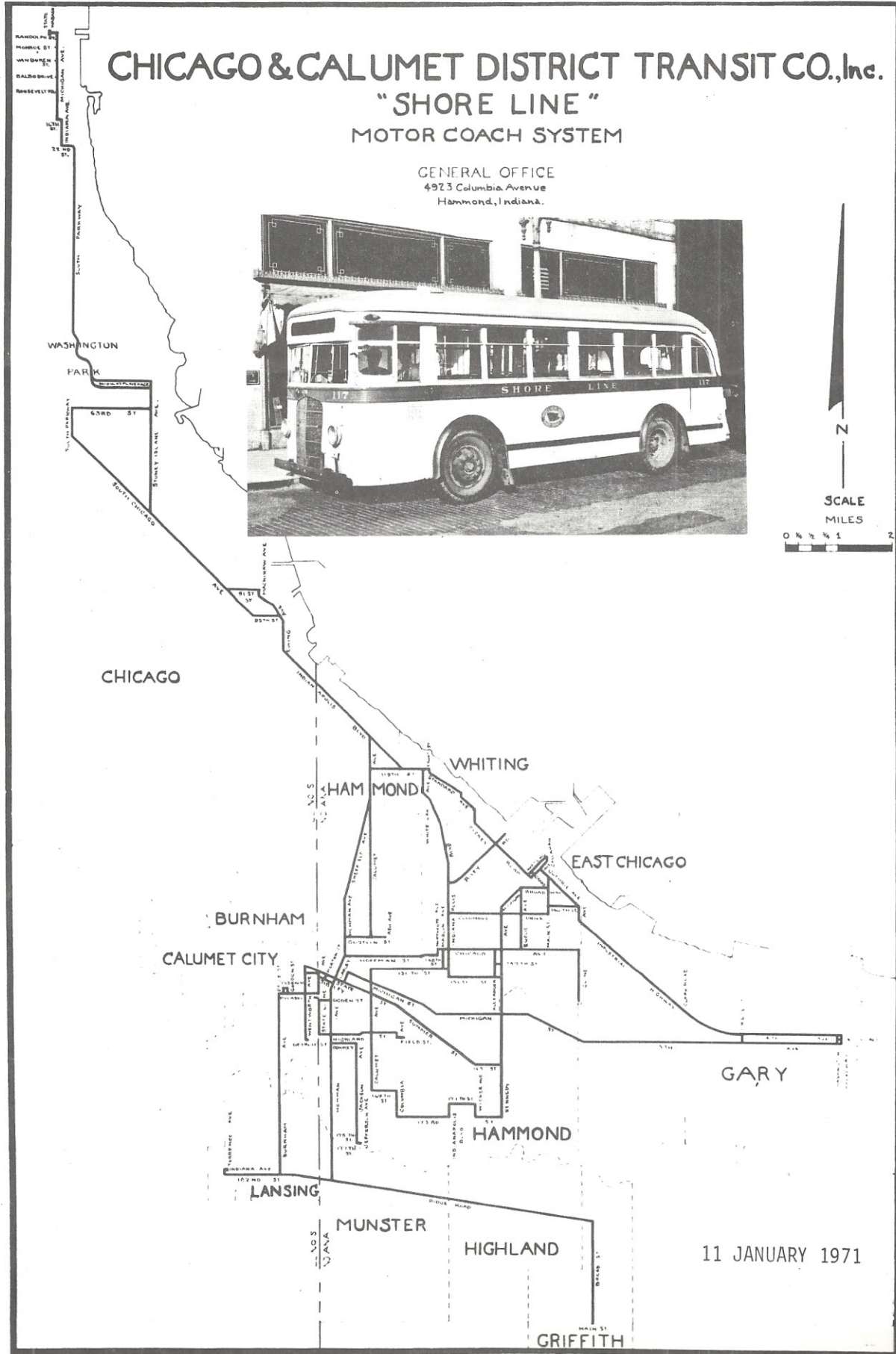
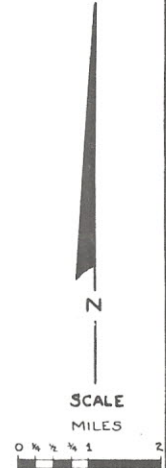
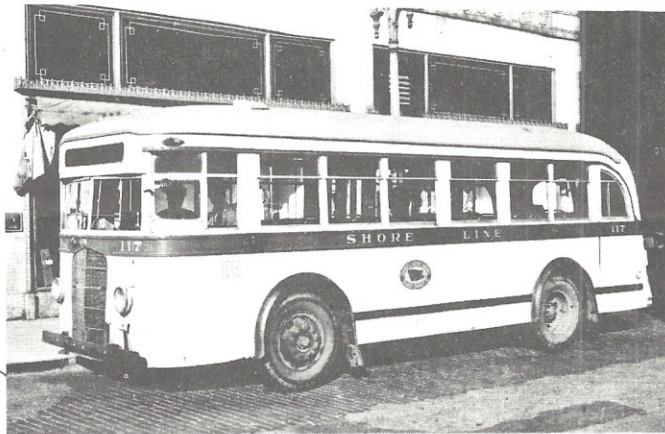


Transport Central

CHICAGO & CALUMET DISTRICT TRANSIT CO., Inc. "SHORE LINE" MOTOR COACH SYSTEM

GENERAL OFFICE
4923 Columbia Avenue
Hammond, Indiana.



11 JANUARY 1971

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column one

Next week *Transport Central* will look back on 1970--a very eventful twelve months in transportation. This week we will reverse the usual procedure and glance ahead into 1971, with an editor's prognostications on the year to come.

Keeping a transportation reporter the busiest this year will probably be keeping track of the manifold changes in the railroad industry. This is the year of Railpax, and the entire basic structure of rail passenger service is to be drastically altered in 1971. Had the present rate of attrition of passenger trains continued, few runs indeed would have been left by December; NRPC will itself trim many of them, but at least some will be around in 1972.

But don't look for a wholesale "dumping" of trains in May. With the lessened burden on rail finances that shifting of trains to the Corporation will provide, some hitherto-marginal non-Railpax runs may be able to turn the corner financially, especially if they are restructured to feed the NRPC network. It also would seem probable that passenger-oriented lines like Santa Fe may well find it to their advantage to continue some of their long-haul runs, even if the routes are not taken into the system. I'd say, as a rough guess, that half of the non-Railpax trains will be around into 1972.

Despite a brightening picture with respect to the passenger train deficit, the overall outlook for rail carriers remains anything but spectacular. The financial disgrace of the Penn Central once again exposed the classic weaknesses of the industry--outmoded work rules, shoddy financial practices, muddled thinking, archaic regulation and internecine warfare with other railroads--that will not disappear as if by magic in 1971. In fact, the unrecognized interdependence of one road on another will make the situation worse because of the Penn Central's fiscal follies.

On the airline side, while 1971 will not be as bad a year financially as was 1970, it will not be a year of "super profits" either, for the causes of "turbulence" last year are still with us--an unsettled economy that produced a downturn in business travel, the "monkey see, monkey do" syndrome among the carriers that sees one unnecessary 747 jet after another find their way into service in markets that can scarcely support a DC-3, an over-eager CAB that thrusts one route award after another into the hands of carriers already overburdened with losing services, all in the name of fostering "competition"--and will also not disappear in 1971.

Transit-wise, the increased DOT aid will do little to abate the carriers' present-day problems (which can only be solved by a transfusion of imagination) and will probably follow the carrot-on-a-stick approach by promising, as it has on a lesser scale in the past, exotic (and foredoomed) schemes like the Skybus as a universal panacea.

In short, 1971 promises to be a year of "more of the same".

--RICHARD R. KUNZ

NEWSFRONT

- ✓ URBAN: CHROMALLOY RETRENCHES
 - ✓ RAIL: ABOUT THOSE RPO RUNS
 - ✓ AIR: A NEW MIDWAY EXCISION
 - ✓ BUS: A TERMINAL GETS BIGGER
-



metro memo

CALUMET CHECKMATE

The script was familiar: threats, charges, countercharges, compromise and final collapse. The stage was the northwest corner of Indiana: an area of industry and residence, white collar and blue, Pole and Slav, black and white. Principal character was a corporation: the ATC-affiliated Chicago & Calumet District Transit Company, for years the principal purveyor of people-moving in Calumet.

Lake county, Indiana is essentially a two-industry area: oil and steel. The refineries of Whiting on the west are neatly counterbalanced by the mills of Gary on the east. When either (or both) of the giants decline, the communities follow; strikes and recessions have often laid Lake county low.

Transit riding is an accurate indicator of the economic viability of any area; in Calumet, it is a fragile commodity. When times are poor, no one can afford to ride; when times are good, auto sales rise, and patronage drops. C&CDT has been a victim of both good and bad times.

Of late, despite an in-between climate that might otherwise have been good for business, the universal decline in transit usage has also made itself felt in northwest Indiana. As we have noted in these columns in past months, numerous proposals and counterproposals have arisen out of the Shore Line's steadily worsening financial situation, and last week matters finally came to a head.

Despite a week's delay brought on by continuing litigation, local bus service in the western half of the county became the first transit casualty of the New Year, following by a week a similar loss of suburban service in the eastern half. A series of protracted negotiations between the company and the communities it served eventually came to naught, as the unwillingness of East Chicago (third largest municipality in the county) to come to terms with its neighbors finally torpedoed any plans for an integrated transit district.

And so, as evening wore on January 9, C&CDT's local runs serving Hammond, East Chicago, Whiting, Munster, Highland and Griffith pulled in to the storied garage on Columbia Avenue for what appears to be the last time, leaving an area of considerable population with only a token rush-hour service to Chicago, and a yet-intense Chicago-Gary local run. It was the first time since the '90s that residents could no longer depend on local transportation, and it brought to an end a long tradition of public service on the part of the Shore Line and its several

predecessors. (The Calumet area has had local transit since the first street railway trackage was constructed on Hohman Avenue in Hammond in 1892; bus service began in the 1920's, finally supplanting all streetcars on June 9, 1940. American Transit Corporation [based in St. Louis] acquired the property in 1955).

Still operating are C&CDT's express services to the Chicago Loop from East Chicago, Hammond, Whiting, Munster, Highland and Griffith (rush-hour operation in all cases), and the long 63rd Street (Chicago) to Gary run, as well as franchise runs across the State Line to Calumet City and Lansing from Hammond. School service in the area also continues; the company now uses about 35 buses in all, as compared to almost 80 when all runs were in operation.

The future of bus service in the Calumet area seems to be very much in doubt as of this writing. East Chicago has announced plans to begin service within its own boundaries as of January 18 with a total of 13 buses. Ten were recently purchased (they are presumably school buses or similar units, and are not on municipal property as yet); the remaining three will be on loan from the local police department, where they were regularly used by the East Chicago Junior Police. A GMC TDH-5104 (formerly #7101 of C&CDT), a TDM-5108 (ex-Michaud) and a Superior school-transit unit make up the latter roster. The ex-Michaud [Boston area] bus and of course the TDH-5104 were both formerly used in regular C&CDT service.

As we go to press, Hammond has indicated its desire to begin local transit service on its own, very probably using units purchased or leased from Shore Line. (The "Shore Line" designation, by the way, is a popular reference to the Calumet District property, and stems from the days when a company of that name operated in the area; that firm was eventually absorbed by what has become C&CDT). Plans for service in other adjoining areas are uncertain at present.

(The map reproduced in miniature on the cover dates from 1941, and is presented here through the courtesy of the Shore Line company; the basic local system has remained substantially unchanged throughout the intervening thirty years. The photo is from Motor Coach Age, April 1969; that issue contains a complete corporate history of the Calumet company. The unit itself is a 1937 ACF H-13-S).

DOT DOLES

DOT has announced an interagency agreement with the National Bureau of Standards to evaluate the experimental use of exclusive bus lanes on the Shirley Highway in northern Virginia leading to Washington. The Technical Analysis Division will prepare a quantitative assessment of the Shirley Highway experiment so that maximum information will be available to other urban areas.

Commercial transit buses in September 1969 began carrying rush-hour commuters using a small segment of reversible traffic lanes in the median of the Shirley Highway. The experimental usage since then has been extended to within about two miles of Washington where road construction continues. The exclusive bus roadway over a new bridge into Washington is scheduled to be completed in the spring of this year.

A grant of \$146,666 has been made to the East-West Gateway Coordinating Council, the regional planning agency in the St. Louis area, to assist in a socio-economic study of the benefits of a proposed 82-mile rapid transit system. The study is a followup to a recent rapid transit feasibility study, and will measure public reaction and possible use of the proposed system.

DOT has also granted more than \$1,500,000 to the city of San Diego toward the completion of purchase of the San Diego Transit Company, the San Diego Economy Line, and for 100 new 51-passenger buses, as well as 210 two-way radios and certain physical plant requirements. This recent grant brings the total granted to the city to more than \$6,000,000.

The California Institute of Technology has been awarded \$1,353,000 for research and design of a radical new mode of automated personal transit known as a "people mover". The system will be built around and through the West Virginia University campus at Morgantown. Initially, the system of fully automated cars will link the university's downtown campus with its uptown engineering and medical schools, carrying passengers at speeds of up to 25 miles per hour.

The Department has released the results of a two-year study on bus driver robberies and assaults which concludes that an "Exact Fare" plan is one of the best methods of combatting crimes against bus drivers. The study, prepared by two California institutions and financed by DOT and the Amalgamated Transit Union, recommends that:

Cities with a robbery problem should install exact fare plans of riding, with all money going into a locked fare box.

The use of shields between drivers and passengers and the possible use of cameras to record each passenger who boards should be tried.

Paid "monitors" should be used on high-traffic, high-risk bus runs, particularly by systems having difficulty on school routes.

Drivers should be selected for their ability to deal with the public, as well as for their driving skills.

The study also found that further research is needed on other bus problems, such as vandalism, and that bus crimes are not necessarily racially motivated.

More grants: \$39,866 to Birmingham [Ala] toward the study of public ownership of the Birmingham Transit Corporation [ATC]....A supplemental award of \$237,963 to the Dallas Public Transit Board for the continued development of an external combustion engine propulsion system for buses. Toluol will be the working fluid; a system using freon was abandoned by project manager LTV as unsatisfactory....Almost \$2,000,000 to Philadelphia for the modernization of six subway stations, all on the Broad and Ridge lines [Spring Garden, Fairmount, Girard, Columbia, Susquehanna-Dauphin].

CARRIER COMMENT

Yet another era ends: SEPTA's storied #62 YEADON trolley line will lose its unique operation at the end of the month; certain route 13 cars will be routed via the Yeadon line to Upper Darby terminal. The #62 line has been in operation as a single shuttle route of less than a mile since the early 1900's; PCC cars have served the line in recent years....SEPTA is also extending its bus route L into former Auch Interborough Transit territory north of Germantown. The Auch firm, commonly owned with Merz Highway Tours of Philadelphia, has been strike-bound since June [the firm's headquarters were in the Philadelphia suburb of Conshohocken], and operations are not to be resumed.

Chicago Transit Authority passengers boarding at "L" stations will continue to freeze in winter, no matter how cold it gets; the removal of the ancient potbelly stoves (coal-fired) is virtually complete as an economy move, although some platforms have heat lights....Disney World, the new entertainment center in Florida, will have a monorail as its principal means of transportation. The only company able to fabricate the rails is in Tacoma; total freight bill for their shipment from Washington to Florida is \$750,000.

New groups aiming at improving public transportation may now be aided by a booklet of helpful hints. Entitled "ORGANIZE!", the booklet provides tips on getting members and money, as well as possible actions to undertake. The booklet may be obtained free of charge by writing to the Council of Better Transit Organizations, Box 42, Brooklyn, New York 11210.

The Calgary Transit System has offered for sale its seven Robin-Nodwell transit buses. Built in England in 1965, these units have been stored out of service after being replaced by newer GMC coaches. Each unit seated 21, and all are reported to be in very good operating condition....Edmonton has taken delivery of a Western Flyer 700A transit diesel on a one-year lease basis. The unit will enable Edmonton to evaluate the Western Flyer as an alternative to the General Motors units, as well as allowing ETS to check out the Flyer body for use in possible new trolley coaches (ETS has a fairly extensive overhead system).

Ridership on the Edmonton Transit System continues its strong upward movement. ETS is one of the more progressive transit systems in Canada, despite a rather patchwork route pattern; estimates of ridership for the first nine months of 1970 show a 10% increase over last year. At 37,000,000 rides per year, Edmonton has more annual patronage than Seattle, and more than twice as much as Denver. ETS has ninety rides per capita per year, the equivalent of having every Edmontonian taking a bus ride every four days....The latest "official" date for the delivery of IC's new electric suburban car prototypes (1501/1502) is March 1, 1971....The Wausau (Wis) Transit Authority, set up to take over operations from the privately owned Wausau Transit Lines, is to purchase six "Baby Fishbowls" (3301's) from General Motors. WTL, after selling five GMC TDH-3714 units it had purchased in 1962 from Santa Monica to another unidentified operator last year, was reduced to using two GMC TDH-3612 coaches (ex-Aurora) and several of its fleet of ACF-Brill C-31's in regular service.

airline action

AN EXCISION AT MIDWAY

Despite the best efforts of the city to increase traffic at Chicago's South Side Midway Airport, the field has suffered from the same ills affecting the air travel industry everywhere in the U.S. Consequently, three majors and one regional carrier have announced that they will trim their flights so that the airport will drop from 87 daily flights to 81 effective February 1. American will cut one run; TWA and Eastern two each, and level II carrier Ozark will drop one flight. The runs affected are generally late-evening or early-morning flights; some carried as few as 10 passengers each. Through November, O'Hare showed a gain of 17.7% on total international and domestic flights, but the number of passengers on domestic flights was down by 6.4% compared to the similar 1969 period. Midway's traffic level has been generally disappointing.

ROUTE REPORT

Israel plans to request an amendment to a 1950 air agreement with the U.S. that restricts El Al to the use of Kennedy International Airport in New York. An El Al proposal to add more landing locations in the U.S. has been already discussed unofficially with the State Department, meeting the expected negative reaction; nevertheless El Al and the Israeli government plan to press on.

Under the existing agreement, TWA, as representative of the U.S., enjoys unlimited flights to Israel, and the authority to pick up passengers in Israel bound for the Far East. El Al wants West Coast landing rights as a part of the airline's long-range plans to implement an around-the-world route by the mid-1970's. The easternmost point presently served by the Israeli flag carrier is Teheran, but El Al has secured landing rights in Singapore, Thailand and the Phillipines.

Braniff will begin two daily non-stop jet runs from Love Field in Dallas to New York's LaGuardia Airport January 15; the carrier already flies regularly to Kennedy and Newark airports in the metropolitan area....The CAB has ordered an investigation into the need for nonstop service between Chicago and Acapulco by a U.S. flag carrier. Braniff, American and Eastern are applicants for the authority; only Aeronaves de Mexico currently provides nonstop service between the two cities, but a U.S.-Mexico pact last year authorized the CAB to name a U.S. carrier to provide competition over the increasingly-busy route.

AIRLINE MISCELLANY

Since the U.S. government started anti-hijack surveillance at airports in 1969, a total of 259 arrests of would-be passengers have been made....Despite poor earnings, the nation's scheduled airlines ended 1970 with their best accident record in history; for the first time since 1938 (when Federal accident records were begun), not a single fatality was recorded on a domestic flight.

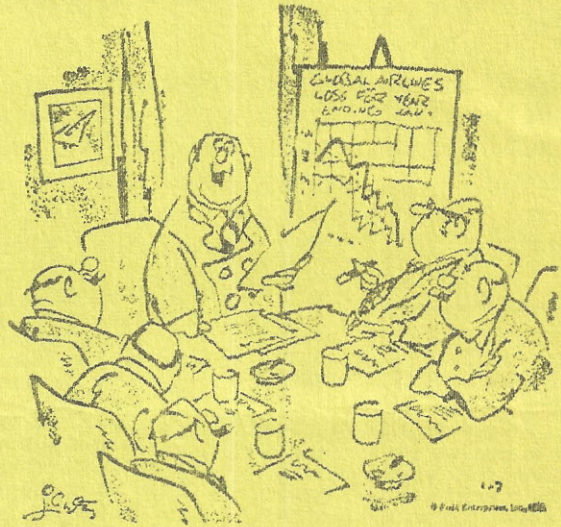
 **bus briefs**

THE BIG GET BIGGER

The Port of New York Authority has authorized an \$80,000,000 expansion plan for its midtown New York Port Authority Bus Terminal that will enlarge the busy station by 1-1/2 times. The project, to be begun this year, will raise the capacity of the terminal from 40,000 to 60,000 passengers per hour.

GRIN AND BEAR IT

By Lichty



"We can't go on losing money on empty seats! . . . There must be another solution besides filling them with anti-hijacking security guards!"



railway report

ABOUT THOSE RPO RUNS...

Many months ago, we reported on an inquiry into the sudden disappearance of many Railway Post Office runs, a wholesale discontinuance that caused a similar wholesale abandonment of many railway passenger runs dependent on mail revenue for survival. Now, through the courtesy of the office of Senator Gordon Allott (R-Colo), and the *Congressional Record*, we present the first of two parts of a thorough examination of the circumstances surrounding the disappearance of the RPO:

THE FACTS CONCERNING ASPECTS OF THE CAREER OF FORMER ASSISTANT POSTMASTER GENERAL WILLIAM J. HARTIGAN

Mr. ALLOTT, Mr. President, today it is my duty to bring to the attention of the Senate some facts which should concern the Senate and the Justice Department and which may, in the judgment of the latter, require legal action.

The facts concern aspects of the career of former Assistant Postmaster General William J. Hartigan. They center on the possibility that he was involved in acts which exceeded legal authority in the awarding of contracts for the transportation of mail. There now seems to be considerable evidence that these acts worked to the detriment of all taxpayers, all users of U.S. mail service, and our transportation system.

Senators know that during my 16 years in this body, I have seldom called for the resignation of a Government official. Most public servants, whether I agreed with their philosophy or not, are honorable men of considerable competence. Only in extreme cases have I ever urged that someone in high office be removed from his position.

The case of Mr. Hartigan was such a case.

On September 22, 1967, after a year-long battle over the conversion of surface mail transportation routes to air taxi and airline systems, I said at a Denver press conference:

His actions have not been justified, from a cost of service basis, to the Congress. Accordingly, I believe that this nation can well afford to dispense with the services of Mr. Hartigan. Whether he resigns or whether his superiors, Postmaster General O'Brien and President Johnson dismiss him is immaterial to me. What is important is that we change our policy and direction, and to accomplish that objective, Hartigan must go.

I am now in possession of an extremely evenhanded and comprehensive report from the General Accounting Office. This report concerns certain actions taken by Mr. Hartigan while in Government service. The report indicates that my anxiety about Mr. Hartigan was even more well founded than it appeared at the time.

For those not familiar with Mr. Hartigan's background, let me recall a few points.

He was an associate of the late President Kennedy and when Kennedy took office in 1961, Hartigan became a White House aide. Soon after that he was appointed Assistant Postmaster General for Transportation and International Affairs. He held that position from August 1961 to May 1962.

He left in May of 1962 to help manage the election campaign of President Kennedy's brother EDWARD M. KENNEDY to be U.S. Senator from Massachusetts. After Senator KENNEDY's victory, Mr. Hartigan was anxious to return to Washington. By March 1963, he was reappointed to the same position he had left only a few months earlier.

For many reasons, some of which are documented in the GAO report, I began to call for his resignation in the fall of 1967 and repeated my request on January 23, 1968, in a speech on the floor of the Senate. Mr. Hartigan announced his resignation immediately thereafter, effective the end of February 1968. Two days later he was hired as a transportation consultant to the Sedalia-Marshall-Boonville Stage Lines, Inc.

In November 1968 he became a member of Sedalia's board of directors and on May 1, 1969, he became Sedalia's vice president.

I first became aware of Mr. Hartigan's suspiciously smooth slide from Assistant Postmaster General to Sedalia in April of 1969.

In a speech on the Senate floor on April 14, 1969, I said:

I was determined to find out just why the discontinuance of RPO's was being pursued with almost ruthless determination by Mr. Hartigan at the Post Office.

Finally, on September 22, 1967, my patience having been exhausted, I issued a statement calling for the termination of Mr. Hartigan's employment with the Post Office.

Unbeknown to me and other legislators similarly concerned with this problem, but certainly known to Mr. Hartigan, another important event occurred in September, 1967.

In that very eventful month, the Sedalia-Marshall-Boonville Stage Lines, Inc., began air taxi mail service. This firm, with headquarters in Des Moines, Iowa, had no air taxi mail service prior to that time. But, it wasted no time in acquiring prime contracts from the division of the Post Office which Mr. Hartigan administered.

Mr. Hartigan, it seems, established himself as a Washington "transportation consultant", a broad general title which as anyone in the business knows, can cover a multitude of activities.

However, later in 1968 . . . Mr. Hartigan became Vice President of the Sedalia-Marshall-Boonville Stage Lines, Inc. Undoubtedly, that firm was able to make Mr. Hartigan an attractive offer since its air taxi revenues had jumped from \$60,030 in 1967 to \$1,289,851 in 1968. The firm is now the largest air mail taxi carrier in the United States.

I followed up my April 14 speech with a letter to the Honorable Elmer B. Staats, Comptroller General of the United States, on April 21, 1969. I asked the Comptroller General to investigate the wholesale conversion of surface mail transportation routes to air routes. Specifically, I was interested in determining whether the

changes were made too quickly, whether proper control and evaluation procedures were set up to facilitate the changes, and whether the cost of the conversion to air mail taxi service was justified in view of the alternatives available and the services rendered.

GAO readily agreed to make such an investigation. Several very competent investigators spent months poring over records, not only here in Washington, but in some of the regional offices of the Post Office.

GAO's excellent report clearly confirms the initial suspicions concerning Mr. Hartigan. The report strongly suggests that Mr. Hartigan's actions in awarding certain contracts were illegal. His administrative practices in converting surface routes to air taxi routes were highly questionable. Arbitrary rate increases were granted by Mr. Hartigan especially to Sedalia-Marshall-Boonville Stage Lines, Inc.

All in all, the GAO report amounts to a startling disclosure of the kind of irregular administration Mr. Hartigan operated, especially during his second tenure as Assistant Postmaster General.

GAO has determined that the Post Office Department, under Mr. Hartigan and even subsequently, exceeded its legal authority in the use of emergency contracts for air taxi service for the transportation of mail.

In other words, the Post Office awarded 114 illegal contracts for air taxi service. Thirty-five of these illegal contracts were awarded to Sedalia, including 25 during Mr. Hartigan's tenure of office.

Let me quote from the GAO report:

The circumstances that existed at the times the Department entered into emergency contracts did not constitute emergencies caused by fire, flood, major disaster, or any other type of calamitous visitation within the meaning of the Federal Aviation Act—the authority cited for such contracts. Rather, these contracts were awarded, in most instances, to initiate and/or continue service on routes which had been established by the Department to change from railway and highway post-office service to other transportation services or expand the geographic area for overnight delivery of letter mail, or both.

Also, emergency contracting avoided the review and approval by the Civil Aeronautics Board of contract rates and routes that was required by the Federal Aviation Act.

I might add, Mr. President, that of the 410 air taxi mail contracts let by the Post Office during the period of review by GAO, only 201—less than half—had been approved by the CAB. The other 209 were emergency contracts and, therefore, were never reviewed or approved by CAB.

(Continued next week)