

A regular meeting of the City Council of the City of Charlotte, North Carolina, was held in the Council Chamber, City Hall, on Wednesday, April 2, 1952, at 4 o'clock p.m., with Mayor Shaw presiding, and Councilmen Albea, Baxter, Boyd, Dellinger, Jordan and Van Every present.

INVOCATION.

The invocation was given by Councilman Claude L. Albea.

MINUTES APPROVED.

Upon motion of Councilman Jordan, seconded by Councilman Albea, and unanimously carried, the minutes of the meetings on March 24th and 26th were approved as submitted.

APPLICATION FOR FRANCHISE TO THE CHARLOTTE TRANSIT LINES, INC., FOR THE OPERATION OF INTERURBAN BUS SYSTEM FILED BY L. A. LOVE AND J. M. ARNES AND ACCEPTED AS INFORMATION FOR STUDY BY COUNCIL.

An application for a franchise to the Charlotte Transit Lines, Inc., for the operation of an interurban bus system, for a period of 30 years, was filed by Mr. L. A. Love and Mr. J. M. Arnes. Their attorney, Mr. R. Gregg Cherry stated the Company is ready and able to operate a bus system that will give adequate and sufficient service to the citizens and a reasonable revenue to the owners. That the Company will purchase the Duke Power Company's bus equipment, and in addition will purchase and place in operation ten new busses. That Duke Power Company figures show that they have been operating at a loss for the past several years and his clients are not interested in a franchise that will not bring them a reasonable return on their investment; therefore, they have submitted a form of franchise that provides for certain changes as to rates, routes and schedules, under which they believe they can operate and serve the citizens well and show a reasonable profit.

The proposed franchise provides for the operation of the system under a two-zone system with zone fares established. Zone One consisting of the area within a circle three air miles from Independence Square, with Zone Two consisting of all territory serviced beyond the circle; the base fare in each Zone being ten cents, with an additional five cent fare for passengers riding from one zone into the other zone, and an additional two cents for a transfer, and special rates for school children of ten tickets for 75 cents plus two cents for transfers, or ten tickets free of transfer charge for 90 cents. The proposed route changes were indicated on the map submitted and route schedules outlined. Mr. Cherry stated that the survey of the present system shows that many routes are useless and unprofitable and changes therein are necessary.

Upon Mayor Shaw's inquiry as to whether the matter of rates could not be left out of the discussion, as the decision rests with the State Utilities Commission and not the City Council, Mr. Cherry stated that they must insist that the Council's firm approval of the rates be given at the time a franchise is approved so that they will know where they stand on the question with the Council when the rates are placed before the Utilities Commission.

Councilman Coddington asked if the Company would be willing for the Council to draw up a franchise-agreement containing the Council's wishes for discussion by the Council and The Company. Mr. Cherry stated they would be glad for the Council to do so.

Councilman Boyd stated that it is of vital importance to the Council as representatives of the citizens, that ample time be given them to study the proposals, to which Mr. Cherry agreed, stating they would be glad to discuss any phase of the matter with the Council; however, the deadline of the offer of Duke Power Company to sell them their equipment is May 1st.

Mr. John D. Shaw, City Attorney, asked if a performance financial statement was filed with the application - that the Council will want to know the amount of revenue it will take to operate the system and what rates will be necessary and right in order that the Company make a fair profit. Mr. Cherry advised they did not submit a financial statement. That arrangements have been made with the American Trust Company for sufficient funds to operate the system. That their Charter is based on a \$500,000.00 capital; that they will purchase and pay for the bus equipment and have sufficient capital to operate the system; however, they will be glad to furnish any information the Council desires.

Mr. W. S. O'B. Robinson, Attorney for Duke Power Company, advised that the bus transportation system in Charlotte has reached a critical point. That they cannot continue to operate under the present plan, which is causing staggering losses to the Company. He gave in detail the operational costs and losses, and stated that in 1951 they realized a \$290,097.04 loss on the system in Charlotte. He stated that 30 percent more bus service is provided in Charlotte than in other cities of comparable size, and that the bus service is being destroyed for 97 percent of the citizens in useless service to 3 percent of the people. He stated that it is their belief that Mr. Love can operate the bus system successfully and efficiently because of his wide experience in the transportation business, if he is permitted to put it on a paying basis.

Councilman Boyd inquired if the Duke Power bus system employees will be retained by the new company. Mr. Robinson stated that their contract with Mr. Love provides that the Company will employ as many of the present employees as economically possible.

Mayor Shaw asked if a mutually acceptable agreement cannot be worked out with Mr. Love, will the Duke Power Company ask for changes in their present set-up. Mr. Robinson replied that they would definitely do so and immediately. They would have to eliminate useless service and increase the fares.

Councilman Baxter moved that the proposal be received as information and that the City Attorney and City Manager make an immediate study of the requests and that conferences be arranged at once for a discussion of the matter by the Council. The motion was seconded by Councilman Van Every, and unanimously carried.

NOTICE OF CLAIM OF MRS. MARGIE H. SMITH REFERRED TO CITY ATTORNEY.

Upon motion of Councilman Boyd, seconded by Councilman Albea, and unanimously carried, the Notice of claim of Mrs. Margie H. Smith, in the amount of \$10,000.00, for injuries sustained on February 18, 1952 on State Street, was referred to the City Attorney.

TRANSFER OF FUNDS WITHIN WATER DEPARTMENT.

Councilman Boyd moved approval of the transfer of \$2,500.00 from the Water Department Emergency Fund (Code 613) to the Water Department Billing & Collection Division, Postage Account (Code 607 C-22) for the purchase of postal cards. The motion was seconded by Councilman Van Every, and unanimously carried.

CONTRACTS FOR THE CONSTRUCTION OF WATER MAINS APPROVED.

Upon motion of Councilman Boyd, seconded by Councilman Baxter, and unanimously carried, contracts for the construction of water mains were approved as follows:

- (a) Contract with John Crosland Company, for the construction of 3,755 feet of mains and 2 fire hydrants in Colonial Village at an estimated cost of \$8,860.00 to serve 82 residential lots. The City to finance the cost and applicant to guarantee a gross annual revenue equal to 10% of the total construction cost.

- (b) Supplementary contract with John S. Spurrier for the construction of 300 feet of mains in South Boulevard, at an estimated cost of \$360.00, to serve business property abutting on South Boulevard. All costs to be borne by the applicant, who will own the mains until territory is taken into the city.

CONSTRUCTION OF SANITARY SEWER MAINS AND TRUNK SEWERS.

Motion was made by Councilman Dellinger, seconded by Councilman Baxter, and unanimously carried, authorizing the construction of new sanitary sewer mains and sewer trunks, as follows:

- (a) 118 feet of sewer main extension in Myers Park Manor, at an estimated cost of \$290.00, to serve 2 family units and 2 vacant lots, at request of Charlotte Builders, Inc. All costs to be borne by the City.
- (b) 500 feet of sewer trunk from Irwin Creek Outfall west toward Suttle Avenue, at an estimated cost of \$4,390.00, to replace washout caused by recent rains. All costs to be borne by the City.

CONTRACT AWARDED AUSTIN ELECTRIC COMPANY FOR ELECTRICAL WORK ON ADDITIONS TO SUGAW CREEK SEWAGE TREATMENT PLANT.

Councilman Albea moved that contract be awarded Austin Electric Company for the electrical work in connection with the construction of the additions to the Sugaw Creek Sewage Treatment Plant, in the amount of \$97,140.00. The motion was seconded by Councilman Dellinger, and unanimously carried.

CONSTRUCTION OF DRIVEWAY ENTRANCE AT 1984 MARYLAND AVENUE.

Upon motion of Councilman Boyd, seconded by Councilman Coddington, and unanimously carried, the construction of an 8-foot driveway entrance at 1984 Maryland Avenue was approved.

SPECIAL OFFICER PERMITS RENEWED.

Motion was made by Councilman Van Every, seconded by Councilman Coddington, and unanimously carried, authorizing the renewal of Special Officer Permits as follows:

- (a) To John W. Kay, 416 West 11th Street, for use on the premises of Domestic Laundry, Inc.
- (b) To W. T. Alexander, for use on the premises of Memorial Hospital.

HOLIDAY GRANTED CITY EMPLOYEES ON EASTER MONDAY, APRIL 14th.

Councilman Albea moved that a holiday be granted city employees on Monday, April 14th, in observance of Easter. The motion was seconded by Councilman Van Every, and unanimously carried.

TRANSFER OF CEMETERY LOTS.

Upon motion of Councilman Boyd, seconded by Councilman Baxter, and unanimously carried, the Mayor and City Clerk were authorized to execute deeds for the transfer of cemetery lots, as follows:

- (a) Deed to Mrs. Katherine Boyd, for southwest quarter of Lot 165, in Section 3, Evergreen Cemetery, at \$26.00.
- (b) Deed to T. H. Cato and wife, for Lot 81, in Section 2, Evergreen Cemetery, at \$156.00.

- (c) Deed to Mrs. E. S. Hoggard, for Lot 389, in Section 3, Evergreen Cemetery, at \$163.00.
- (d) Deed to J. T. Norris, for Perpetual Care on northwest quarter of Lot 41, in Section 5, Elmwood Cemetery, at \$36.00.

CONTRACT AWARDED LYNCHBURG FOUNDRY COMPANY FOR CAST IRON PIPE.

Councilman Albea moved that contract be awarded the Lynchburg Foundry Company, for 20,000 feet of 6 inch, 5,000 feet of 8 inch and 11,000 feet of 12 inch Cast Iron Pipe, on a unit price basis, representing a net delivered price of \$78,890.00. The motion was seconded by Councilman Van Every, and unanimously carried.

PURCHASE OF ADDITIONAL PROPERTY FOR EXTENSION OF RUNWAY AT DOUGLAS MUNICIPAL AIRPORT.

Upon motion of Councilman Dellinger, seconded by Councilman Baxter, and unanimously carried, the Council approved the purchase of six acres of land from R. F. Freeman and wife for the sum of \$2,500.00, and of approximately 17 acres from O. E. Hudson et al, for the sum of \$7,441.01, south of Douglas Municipal Airport for the extension of the NE-SW runway.

RENEWAL OF LEASE OF AIRPORT BUILDING NO. 80 TO MORRIS FIELD METHODIST CHURCH.

Councilman Dellinger moved that the lease for Airport Building No. 80 be renewed with the Morris Field Methodist Church for a period of five years, at an annual rental of \$1.00, and that a 60-days cancellation clause be added to the lease. The motion was seconded by Councilman Coddington, and unanimously carried.

ADJOURNMENT.

Upon motion of Councilman Dellinger, seconded by Councilman Van Every, and unanimously carried, the meeting was adjourned.

Lillian R. Hoffman

City Clerk