



DEPARTMENT OF TRANSPORTATION

NEWS

URBAN MASS TRANSPORTATION ADMINISTRATION

WASHINGTON, D.C. 20590

FOR IMMEDIATE RELEASE
March 8, 1973

UMTA 73-13
Phone (202) 426-4043

The U. S. Department of Transportation today made a \$4.1 million grant to the City of Norfolk, Virginia, which will allow the city to take over the area's financially-troubled, privately-owned bus company and to buy 47 new buses.

The \$4,177,811 grant, made by the Department's Urban Mass Transportation Administration (UMTA), will "ensure the continuation of public mass transit service in the Norfolk area in compliance with President Nixon's commitment," according to Secretary of Transportation Claude S. Brinegar.

The private bus company, currently owned and operated by the Virginia Transit Company (VTC), a subsidiary of American Transportation Enterprises, Inc., has been operating at a city-subsidized loss, the Secretary said.

"Today's UMTA grant will allow the city and the area's transit riders to benefit from public ownership," Mr. Brinegar said. Under the terms of public ownership, a transit operation may receive up to two-thirds Federal funding for capital improvement projects, such as today's grant to Norfolk. Local agencies supply the remaining one-third funding which, in this case, will amount to more than \$2 million from the City of Norfolk, bringing the total project funds available to \$6.2 million.

In addition to providing funds for the city to buy out the tangible assets of the VTC, today's UMTA grant will help Norfolk to:

- * Buy 47 new 53-passenger, air-conditioned, diesel buses with new environmental improvement equipment.

- * Purchase a two-way radio communications system for more efficient routing of vehicles.
- * Construct a new bus washing, cleaning and fueling facility.
- * Modernize bus facilities and buy 50 bus stop passenger shelters.
- * Repaint the existing fleet of 150 buses which are not being replaced by new vehicles.

Administrator Frank C. Herringer of UMTA said the "City of Norfolk's program to improve public transportation in the Norfolk-Chesapeake region will include improved bus routing, scheduling and passenger comfort changes. "

The city plans to operate the transit system under a contract with a professional transit management company, ATE Management and Service Company, Inc. Steps are underway to consolidate the entire transit program for the region into a Tidewater Transportation District, which will provide for coordinated bus fares, routes, schedules and transfers, Administrator Herringer said.

— O —

For further information, contact the UMTA Office of Public Affairs at (202) 426-4043, or Mr. G. Robert House Jr., City Manager, City of Norfolk, 1101 City Hall, Norfolk, Virginia 23501. (UMTA Project No. VA-03-0003)

DEPARTMENT OF TRANSPORTATION
URBAN MASS TRANSPORTATION
ADMINISTRATION
Washington, D.C. 20590
Official Business

POSTAGE AND FEES PAID
URBAN MASS TRANSPORTATION
ADMINISTRATION
DOT 511



FIRST CLASS