



DEPARTMENT OF TRANSPORTATION

NEWS

URBAN MASS TRANSPORTATION ADMINISTRATION

WASHINGTON, D.C. 20590

FOR RELEASE 3:00 P.M.
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An \$18,000 Federal grant for the purpose of studying public transit needs in Pensacola, Florida was announced today by Secretary of Transportation John A. Volpe.

The City contributed \$7,000 in cash and services to the study that has been underway since March.

After the owners of Pensacola Transit, Inc. announced they would discontinue public bus transportation on December 31, 1968, Pensacola agreed to pay losses up to \$4,000 incurred by the transit operator in continuing service through July 1 of this year.

The study will determine the extent of need for public transit in the Pensacola area and, if it is needed, what type of ownership and management is most feasible.

Private ownership and operation of public transit in Pensacola has suffered in recent years from service cutbacks, increased operating costs and inability to operate profitably.

The grant was made by the Department of Transportation's Urban Mass Transportation Administration, headed by Carlos C. Villarreal.

Project No. FLA-T9-3

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