

# CONFIDENTIAL

A weekly report  
from the office  
of the CEO

July 10, 1995



I believe that the recent newspaper article questioning the structural integrity of concrete walls in the Vermont tunnels was inaccurate, and may have unduly alarmed the public when there is absolutely no reason for alarm.

Yes, a five-by-five foot section of concrete in one tunnel was determined in January to have been poured improperly. Within a week it was repaired. We had planned from the beginning to make test drills in and adjacent to the repaired area to make certain the concrete was up to standard. The reason we didn't test immediately is because just after the repair work was made, the tunnels were declared off-limits for drilling because we had already started to do the station excavation. For safety reasons, we can't do testing work in the tunnels themselves when station excavation is going on. And so the testing was scheduled for July — after station excavation was completed.

#### **We Won't Accept the Job Until It's Right**

When we go in there next month, if we find that the section is not up to standard, then we won't accept the job. It's that simple. This incident is different than what happened in Segment 1 with the thinner than designed tunnel walls. In that case, the agency had already taken possession of the tunnel. In this latest case, the MTA never accepted the job from the contractor. There's a big difference.

The tunnels are safe; they just aren't finished.

#### **What the Article Did Not Say**

More troubling about the article was, while it repeated at length the earlier allegations about the walls, it never mentioned the disposition of those charges by the Cording Panel which spent more than \$1 million and many months evaluating the situation. The panel's conclusions, widely reported at the time, were that

because of the redundancy purposely included in the design, the thinness of those particular walls not only had not impaired the structural integrity of the tunnel, but they did not even require retrofit. And, of course, as we all know, the tunnels came through the January 1994 earthquake intact.

Revisiting the old allegations without the full story and implying that, for a second time, a dangerous condition was discovered unduly alarmed the public and damaged the reputation of the MTA.

#### **Feeding Frenzy**

Keep in mind, too, that this latest incident has become a sexy political issue. It has bred a feeding frenzy among the press. One of the factors that plays into this is that there has been more divided opinion here than in other cities about building the subway. There are some people who still believe that the development of a rail system was intended to enrich fat contributors.

#### **Sinkhole Update**

As many of you know, our new director of rail construction arrived on Monday. Please welcome Stanley Phernambucq, who will cooperate with independent consultants to determine the cause of the sinkhole and whether the actions of anyone under contract including the contractor, construction manager and the design team contributed to the cause of the incident.

There should not be a rush to judgment as to responsibility. Let's await the outcome of the investigation which will also provide a thorough

# CEO REPORT

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accounting of what happened so that we can drastically reduce the chances of it reoccurring.

## House Approves Metro Rail Monies

Our concern was that other parts of the country would use the incidents against Los Angeles to take away its fair share of monies. But on Friday, June 30th, the House Appropriations Committee recommended that Los Angeles County receive \$125 million in federal assistance for future Metro Rail construction as part of the FY 1996 federal budget, while also approving a 44 percent nationwide cut in transit operating assistance. While the \$125 million in Metro Rail funds is less than originally hoped for, the allocation still represents the largest amount of "new start" funds—about 20 percent of the \$665.8 million available—recommended for any city in the nation.

## Operating Assistance Slashed Dramatically

Operating assistance, however, would take an even larger cut than originally anticipated. Our FY 1996 budget was figured on an estimated 30 percent reduction. But the committee recommended a 44 percent reduction, which would mean MTA would need to come up with an additional five or six million dollars. The House Appropriations Committee recommendation also includes \$8 million for the Gateway Intermodal Transit Center, and \$5.9 million for the continuance of the Advanced Technology Transit Bus research project.

The recommendation also keeps intact the federal match of 80 percent federal and 20 percent local funds for the purchase of new buses.

## Annual Report Out

MTA's first annual report is out! Employees wanting a copy should contact Luis Inzunza at ext. 4-6785. Keep in mind that quantities are limited, so they'll be available on a first-come, first serve basis.

## Fun Days on Sunday

Last Sunday, we introduced a new ridership program. For a limited time, any fare-paying passenger who boards an MTA bus on Sundays and holidays may bring along a friend or relative for 50 cents. The person accompanying the fare-paying rider needs only to present a one-way discount coupon to the bus operator and deposit it in the farebox.

The program is expected to continue through Sept. 24. At that time, the Board will evaluate the program results and decide whether to extend this discount fare. We'll be able to track the success of the program through the number of coupons deposited in the farebox.

## Bus Passes and Employee Identification Cards

A couple of notes: Some of you have been wondering if there's a difference between the new bus passes and the new white building ID cards. Yes, there is. The new bus passes will serve as a combination building and bus pass when we move into the new building. The temporary

white identification card that you have carried for the last year will not be valid in the new building. So everybody should get their photo taken for the bus pass. It will be an all-purpose identification card. Call Ruth Moreno in Human Resources for bus pass photo availability times.

## Other Notes

Congratulations to MTA's Deborah Craney, who was recently selected chief administrative analyst for deputy chief executive Officer Joe Drew. Deborah, who hails from Operations, can be found on the third floor of the 818 Building.

All supervisors should be aware of what I understand is a great class soon to be offered by the employee development section of the Human Resources Department. Called Streamlining Processes, this 12-hour class (one full day and two half-days) is designed to improve the quantity and quality of work produced on the job, while eliminating redundancies and reducing errors. It will be taught by a nationally-known speaker. Sessions will be offered in the 425, 818, and RRC (formerly, the CMF) buildings, and are limited to 25 per session. The first day of each of the three sessions begins in mid-July. Call Julie Fowler at ext. 2-7119.

My assistant, Phyllis Tucker, will be on maternity leave until October. Government and public affairs manager Sumire Gant will assume her duties in the interim. Don't hesitate to give Sumire a call at ext. 4-6191.

## When the Going Gets Tough

I know you must be feeling, as I do, that these are tough times for the MTA. They are. But we will get through them. Transit is always a "hot" issue in big city politics and when, as here, you add the ingredient of multi-billion dollar construction under way it gets much hotter.

Let's remember what we have to do. Let's stay focused. Keep up the good work. I am proud of your hard work.

Congratulations to Judy Wilson, executive officer of planning, who has accepted a position as chief administrative officer for the Orange County Sanitation District. Orange County's gain is our loss. Judy's performance over the years has been outstanding and she has left her mark on the MTA. We wish her well.

—Franklin White

I welcome your comments and questions in response to **CEO Report**, which is designed to provide employees with direct communication with my office. Please contact either of my Special Assistants, Michael Gonzalez at 244-7476, or Phyllis Tucker at 244-6191. Also, employees can fax comments to 244-6014.

## A publication of the MTA CEO's Office

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