

A Message to Our Customers & Taxpayers from Metro CEO Arthur T. Leahy

Since becoming Metro CEO 22 months ago I have taken a hard look at Metro transit operations, ridership and recurring budget deficits. I rode many bus and rail lines, talked to passengers and operators, visited yards and pored over performance data, comparing it to other transit agencies. My experience working in transit for more than 40 years, starting out as a bus operator, helped with my assessment.

I realized we needed to improve service quality to ensure buses arrive on time, and that we cannot survive operating deficits that annually topped \$100 million. And we had to recognize that the dynamics of transit in Los Angeles County have changed with the sharp growth of the two dozen municipal bus operators, Metro Rail and Metrolink, as well as voter approval of Measure R, a new half cent sales tax that funds a dozen new transit projects. The new and existing services have to be better integrated. We can't afford to duplicate service, especially, against the backdrop of the worst economic downturn in 80 years.

So I've made organizational changes that emphasized quality over quantity. Today, we have leaner operations, cleaner buses, better on-time performance and fewer breakdowns. As a result, customer complaints in December hit an all time low. But we're just beginning. We're ordering new buses, dedicating more resources for major bus maintenance work, such as engine replacements and vehicle overhauls, and also increased road supervision.

We are committed to putting better service on the street in the most efficient manner possible, so all our customers benefit. This means we will move toward a more integrated bus and rail system that doesn't duplicate service operated by Metro or the other carriers. In the end you will have a more productive bus/rail agency and lower overall costs.

Currently, Metro buses overall run less than half full. By boosting productivity we will make our system sustainable and enable us to improve reliability and performance for you, our customers, and dedicate resources where they are needed most.

This is not an issue of bus vs. rail. Both serve the same customers. It is about being a good steward of public resources in managing the entire transportation system – including bus, rail, highways, ridesharing, bike and pedestrian programs.

Proposed bus service economies in June are designed to impact the fewest amount of customers possible. We targeted lines that have very poor ridership or duplicate Metro or municipal bus services. We took great pains to make sure that alternative service is available within a quarter mile if lines or route segments are discontinued.

Our passenger loads will still be less than what bus riders in Chicago, Philadelphia, New York and other major cities experience, and Metro fares will remain among the lowest in the country. With

this approach, we also will be in a better position to strategically add buses on individual lines if we detect overcrowding as ridership bounces back during the economic recovery.

Ultimately, we will have a great public transit system that draws riders from their cars, eases traffic and makes the air we breathe cleaner, but first we have to better manage today's transit system. We need to do more with less. That's why we're putting a greater emphasis on quality and productivity and balanced budgets so we can deliver to you on that promise.

Sincerely,

Arthur T. Leahy

Chief Executive Officer

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