

CEO REPORT

A weekly report
from the office
of the CEO

August 28, 1995



The Green Line is off and running -- and reports from the field indicate the riders love it. More than 153,000 passengers travelled on the line during the first week of service, boosting ridership on both the Red and Blue lines.

Each weekday, the line has carried about 18,000 a day. Our ridership statistics indicate that most Green Line passengers travel west from the Norwalk and Lakewood stations during the morning rush hours. The busiest station is Imperial/Wilmington where passengers transfer to the Blue Line, which whisks them to downtown.

Ridership on the Blue Line has increased by about a thousand; and on the Red Line by an estimated 5,000. The 25-cent fare ends Labor Day, Sept. 4. Thereafter, patrons must pay \$1.35, or can purchase a monthly pass at \$49, or discount tokens at 90 cents for a one-way fare.

You might want to tell your friends that we've entered into an attractive transit agreement with Disneyland concerning the Green Line. Disneyland is operating a shuttle directly to the park from the I-605/I-105 station in Norwalk.

Special thanks to Operations employees who made the first two weeks such a success!

Impact of Affirmative Action Ruling

Good news about our disadvantaged-based enterprise program. On Aug. 18, the California Court of Appeals granted us a stay until further notice, which means we can continue to set goals, administer, enforce and allocate funds for our very successful DBE program.

Earlier in the month, a lower court had issued an injunction barring us from continuing the program, but we successfully obtained a temporary stay from the same judge and now from the appellate court. We're in the process of preparing papers for submittal to the court on Sept. 8. We expect a ruling soon after that which will determine the future of the program.

Currently, we have more than 2,000 DBEs certified by the MTA.

New Child Care Center Update

The responses to the Child Care Survey are in and have been tallied. More than 3,000 surveys were sent to employees in the 425 and 818 buildings, the Regional Rebuild Center and three operating divisions. However, only 134 employees returned the survey. The results showed that 33 employees would use the new Gateway child care center for infants, 36 for toddlers, and 38 for pre-schoolers.

If you are interested in receiving a copy of the survey results, contact project manager Kathi Harper at ext. 4-6919. The center is expected to have a licensed capacity of 74-84 children, ages six weeks to five years. The maximum enrollment for each age group has not yet been determined.

Dr. Karen Hill-Scott, a renowned child care consultant, has been retained to assist in identifying a vendor to operate the child care center in the new headquarters building and to facilitate a smooth grand opening. The request for proposal to identify qualified vendors is expected to be mailed out the week of Sept. 11 and responses will be due the week of Oct. 23. Dr. Scott expects the center to open in the spring of 1996. Look for updates on the child care center in future copies of the *CEO Report* and *Gateway Express*.

Metro Child Care at Sylmar/San Fernando Station

Hoping to further boost ridership among working parents, the MTA last week began construction on its second child care center at a Metrolink station. The station is located at the southern end of the Sylmar/San Fernando station, which sits at the southern end of the 77-mile Santa Clarita Metrolink line, originating in Lancaster and ending at Union Station. When completed this winter, it will accommodate a maximum of 70 children, from infants to five years old.

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Millions to be Saved in Cost Containment Plan

The Board of Directors approved on Aug. 23 a package of cost reductions that would potentially save \$398.5 million in rail operating costs over the next 20 years and \$45 million in rail construction.

Included in the suggestions is reducing the total purchase of rail cars, changing the rail operating plan by reducing headways, rail cars and the staff to operate them, and more efficient construction methods for the Eastside Extension of the Red Line.

The cost reductions were made by the Cost Containment, Contracts and Efficiency committee. Members are recommending a shallower depth for two stations of the eastside extension, for a savings of \$15 million. More aggressive options were considered, but rejected because of environmental concerns and the risk of subsidence.

It was judged that longer intervals between trains would still meet anticipated passenger demand, without reducing anticipated ridership. We also calculated that fewer rail cars would be needed on the lines projected to be in operation over the next 20 years.

Separate action will be taken on cost savings proposals for the Pasadena Line in September and October 1995 after an operating peer review panel completes its work. Cost saving options for the East/West Valley Rail Line will be addressed in the major investment study now underway.

Proposals to Re-Configure Board

You've probably read about several proposals to reshape the configuration of our Board. Don't be alarmed -- this is at the policy level and most probably won't impact employees. Board members have agreed to refer all proposals to the executive management committee.

Deferred Compensation Update

We're going to hire a third party administrator to handle our deferred compensation program. The successful bidder will handle the accounts, and it means you can access information about your account 24 hours a day. Currently, you can handle financial matters only during work hours. But, by this fall, a highly secure, 800 number voice response system will be used after hours, providing answers to account balances, etc.

The selected company will assign an officer exclusively to the MTA and he or she will be available at a toll-free 800 number. More information will be forthcoming.

Social Security Update

We recently met with PERS officials and union leaders to update them on the Social Security issue. As I've said all along, it's an extremely complex process, but our union leadership has agreed to work with us in getting a satisfactory retirement plan.

Performance Evaluations

Yes, there will be performance evaluations for non-contract employees. We're in the process of circulating them to all department heads -- they're due in executive officers' hands in mid-September.

Raman Raj, assistant director of human resources, is overseeing the development of a new performance-based evaluation system tied to our strategic plan, but it won't be used until next year. This time around, we're using an interim one with, as you know, no monetary raises included.

Internal Communications Program

Many of you have been awaiting the debut of an internal communications publication -- one that touts the achievements of employees and families. You've also requested a start-up of a suggestion program and other projects that bind us together. I'm pleased to announce that an internal communications program was included in this year's budget, and that a committee is meeting to put together the particulars.

Leila Procopio in Human Resources has been selected to oversee the program. Leila is very effective at getting results, so I think you'll see the start-up of a successful program by year's end. Please forward your suggestions to her.

Staff Changes

Please welcome Nick Brown as the new MTA director of rail activation and integration. He has more than 25 years experience in rail transit engineering, design, project management and start-up. He will act as the engineering department's primary interface between construction and operations.

Also, under Linda Bohlinger, interim executive officer, planning and programming, Frank Flores has been appointed interim deputy executive officer of capital planning and Michelle Caldwell as the interim director of grants management.

Hermينو Vargas is the new acting director of equal opportunity.

I've also created a new executive officer position -- that of executive officer, strategic projects. I've appointed Kim Kimball to that position, and have also selected Michael Gonzalez as Kim's deputy executive officer. Please give them your support.

—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.

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