

# CEO REPORT

**Joseph E. Drew**  
**MTA Chief Executive Officer**

**October 28, 1996**

The Board of Directors took a dramatic step at its October meeting to improve the security of Metro bus and train riders. The Board voted to merge the Transit Police into the Los Angeles Police Department and Los Angeles Sheriff's Department. This action will increase the number of police officers assigned to MTA bus lines by 51 percent. It also will increase the total number of police/security staff assigned to MTA duty from 645 to 665.

**T**he merger still must be approved by the LA City Council and Board of Supervisors. They are expected to take action on the merger soon. If approved, Transit Police personnel, assets and functions will be transferred to the LAPD/LASD Transit Police Partnership in the first quarter of 1997. MTA security guards will remain with the agency.

*I want to thank Chief Sharon Papa and her staff for their excellent work in developing (and negotiating) the merger plan....*

The Board voted to pay the LAPD and LASD a total of \$22.7 million from January through June, 1997, to accomplish the merger. The MTA is authorized to pay the two agencies a total of \$224.3 million over the next five years for law enforcement and security services on all bus and train lines, and at MTA facilities and construction sites. In addition, the Board directed the staff to seek up to \$1.2 million in federal funding for 12 more sworn positions in FY 98 and another 12 in FY 99.

The Board established a permanent MTA Law Enforcement and Security Committee to provide policy guidance and oversight of the new security program. The committee's goals include ensuring unified police command and control, providing public accountability, controlling costs and reducing administrative duplication.

Under the merger plan, Transit Police officers transferring to LAPD or LASD will suffer no loss of salary and will transfer rank for rank. Civilian employees may stay with MTA or may opt to join the

Partnership in job classifications comparable to the ones they currently hold at the MTA. All employees will be given full service credit for their MTA years of service and will be treated fairly and consistent with MTA practices.

I want to thank Chief Sharon Papa and her staff for their excellent work in developing the merger plan and then negotiating its intricate details over many months. I believe the merger will benefit our customers, the agency and the Transit Police employees transferring into the LAPD and LASD. □

## **Unified Retirement Plan**

As a result of Board action last week, all non-represented employees and Teamsters Union members will be given an opportunity by mid-November to choose a retirement plan. The new plan will take effect Jan. 1, 1997.

Former RTD non-represented employees, Teamsters and non-represented employees who have joined the MTA since the merger may join PERS or remain in the RTD/MTA retirement plan. If they remain in the RTD/MTA plan, they also can decide whether to stay in Social Security. Those who opt out of Social Security will see a tax-free 6.2 percent increase in take-home pay—the amount normally withheld for OASDI (Old Age, Survivors, and Disability Insurance).

It's important to note that employees, regardless of employment status, and whether in PERS or the RTD/MTA plan, will remain in Medicare. The 1.45 percent Medicare deduction is matched by the MTA.

Since the UTU, ATU and TCU have elected not to participate, this opportunity cannot be retroactive to the date of the merger. There will be no Social Security refund for former RTD employees and employees hired by MTA. Since the MTA also will not receive the employer's refund, there will be approximately \$100 million less to use for bus and rail transit purposes. □

## **Changes in TOWP**

You recently received a memo from Deputy CEO Linda Bohlinger regarding significant changes in the MTA's Time Off With Pay (TOWP) policy. Five major changes, including two that affect all employees, take effect Jan. 1, 1997. These changes recognize the differences in a comprehensive TOWP policy and separate policies for vacation or sick leave. They also address concerns raised by employees since we first introduced TOWP.

Under the new policy, all non-represented employees may "bank" up to three times the amount of TOWP that can be accumulated. Previously, employees could not bank more than two times the amount. The change also allows all employees to trade for cash all TOWP greater than 160 hours, provided an employee has used

least 80 hours of scheduled TOWP vacation within the previous 12 months.

Three changes in TOWP policy affect those non-represented employees hired prior to Jan. 1, 1995. One change allows employees to use frozen sick leave banks after seven consecutive days of absence for illness. Previously, employees were required to use up all TOWP before drawing on frozen sick leave. Cash outs of frozen vacation and prior sick leave balances will be made at current pay rates and the wage rate freeze of Dec. 31, 1994, has been eliminated.

Finally, all non-represented employees hired prior to Jan. 1, 1995, and who are age 55 with at least five years' service, may convert frozen sick pay to TOWP at 75 percent of value. If an employee dies while in service, frozen sick pay will be paid to the employee's beneficiary at 100 percent of value.

With these changes, you'll have even greater control and flexibility in managing your time off or in converting your time to cash or for deferral into a 401(k) or 457 deferred compensation program. Long-term employees should find this especially beneficial. □

### MTA Top Performers

Let's pass along some kudos to a number of employees who have been recognized recently for top performance.

Nelson Grant of Division 1 was named Bus Operator of the Month for August. Joe Adams of Division 4 was named Maintenance Employee of the Month for August. Addie Allison was recognized as Customer Information Operator of the Month for June, while Greg Pitts received that honor for July, and Jacqueline Exeart received it for August.

At a recent awards ceremony for Bus, Maintenance and Rail Roadeo winners, Poncho Gonzalez of Division 9 was honored as 1996 Bus Roadeo Champion; Samuel Morales, Division 1, was second place; Arnold Herrera, Division 1, third; and Wisconsin Lim, Division 5, fourth.

Rail Roadeo finalists were Norbert Martinez, Blue Line, 1996 Champion; Yandell Lister, Green Line, second; and Warren Koons, Blue Line, third. A Division 10 team of Allen Wong, Doug Creveling and Fred Hines took first place in the Maintenance Roadeo event; Division 2's John Tena, Rudy Rounds and Juan Villalba placed second; and Division 7's Jim Lindsay, Desmond Williams and Tom Lovasco placed third.

Phyllis Meng, supervisor, Building Services, recently was elected chair of the International Facility Management Assoc. Foundation. The foundation provides education, research and scholarship funding for the 15,000-member organization. Congratulations to all of you! □

### Executive Appointment

Let's welcome Gisselle Acevedo-Franco, who joins us Nov. 4 as Director of Government Relations and Public Affairs.

Gisselle has served as Director of Multi-Cultural Outreach/ Communications for Protection and Advocacy, Inc., and as Executive Director at The Coalition for a Non-Violent City. Most recently, she served as Director of Communications and Public Relations at MedPartners/Mullikin.

At the MTA, she will be responsible for overseeing local, state and federal government relations and public affairs

activities. Gisselle earned a BA from Immaculate Heart College, a master's at Cal State LA and a law degree at Loyola Law School, Loyola Marymount. □

### MTA Mini-Conference

The MTA's Career Development and Training Center played a key role last week in planning and conducting the first annual statewide Federation of Conferences, Oct. 24, in Long Beach. Some 6,000 educators, administrators and others attended.

Our mini-conference was titled "Linking Advanced Transportation Technologies and Workforce Development." Keynote speaker Linda Bohlinger discussed the rapid change in transportation technology and how these will create opportuni-

ties and challenges for employers of the future workforce. Students involved in the MTA's Transportation Careers Academy Program (TCAP) and Transportation Occupation Program (TOP) shared their experiences and demonstrated the skills they've developed during classroom work and internships.

I want to thank Naomi Nightingale, manager of the Career Development and Training Center, and her staff for all their hard work in putting together an excellent conference program. □

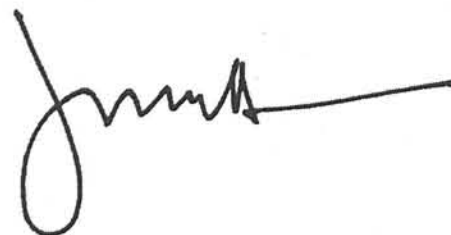
### Closing Thoughts

By now you've heard that the MTA's Inspector General is conducting an investigation of the Metro Red Line Eastside construction management contract. I regret that you didn't get the word from me first, but we have been caught up in the rapid turn of events.

As your CEO, I want to assure you that we have nothing to hide. I've pledged my full cooperation to the Inspector General and I expect each member of the staff also to be fully cooperative and forthcoming. I've often stated that we work for a public agency and that the integrity of each of our business practices and procedures, and of each MTA employee -- from the top down -- is of the utmost importance.

I look forward to the completion of the Inspector General's work, so the Board can finally award the Eastside construction management contract. It's critical that we get a top-notch manager on board, soon, as we approach the start of construction for this important Red Line extension.

In the meantime, each of us has plenty of important projects we're working on to better serve our customers. I appeal to each of you not to get sidetracked by this single event and lose the broader focus we must hold in getting our work done. Please accept my heartfelt and continuing appreciation for your hard work and commitment. □



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