

CEO REPORT

Joseph E. Drew
MTA Chief Executive Officer

September 30, 1996

After two long years of courtroom action and negotiations, the MTA has reached a tentative agreement with plaintiffs in a class action lawsuit that challenged the agency's transit fare structure and funding of bus and rail programs. The agreement, which was approved by the Board at its September meeting, will result in additional bus service, lower fares and increased police protection for passengers.

A federal judge must approve the agreement between the agency and legal representatives of organizations that include the Labor/Community Strategy Center and the Bus Riders Union. Here are the key points of the settlement:

- 51 buses to be put in service by year's end,
- 51 more buses to be added by June, 1997,
- An additional 50 buses over the next two years to improve access by transit-dependent riders for travel to hospitals, jobs and schools, etc.,
- Redeployment of Transit Police to more fairly distribute security on buses and trains,
- Continuation of monthly pass sales, with a price rollback from \$49 to \$42 for three years or until a "needs-based" pass is developed,
- Offering a \$21 semi-monthly pass and an \$11 weekly pass,
- Off-peak 75-cent discount fares on selected bus lines used mainly by the transit-dependent, and
- A two-year commitment by the MTA to maintain the current \$1.35 cash fare and 90-cent token. Transfers will remain at 25 cents.

In agreeing to add 152 new buses to the fleet over the next two years, the MTA has committed to lowering the average number of standees aboard crowded buses. Our current "load standard" permits 18-20 standees. This agreement would cut that in half.

Total additional costs for new equipment required under the agreement will rise to \$96 million between now and 2002. The Bus Service Improvement Plan will fund part of the cost. Current capital grants will pay for the first 100 buses needed and the remainder will be accounted for in the revised Long-Range Plan. There is no anticipated impact on the rail construction program.

At a news conference to announce the settlement, Chairman Larry Zarian said it was "a happy day for the MTA because it means more buses, safer transit and stable fares." Mayor Riordan called it "a big step in the right direction," noting that the Board has made improved bus service a top goal. Supervisor Yvonne Burke said, "The goals of bus riders are identical to our goals." And Director Mel Wilson called it, "A big win for improved customer service."

I certainly agree that this is a giant step for the MTA. I want to thank the mediator who was instrumental in shaping this agreement, Donald Bliss; County Counsel David Kelsey and his staff; and Ken Klein, our outside attorney.

We all now have to roll up our sleeves to make this agreement a reality. Our promise is performance to our customers—and that's a promise we can keep. □

A Top-to-Bottom Review

Some 1,400 of you will be receiving an MTA survey form in the mail very soon. Others already have participated in a focus group, an individual or group interview. It's all part of a Board-directed top-to-bottom review of the MTA directed by the Board to improve customer service, increase agency productivity and reduce costs.

Coopers & Lybrand, a national consulting firm, has been retained to carry out the study. They'll review all previous MTA surveys and studies, assess our goals and objectives, look at current staffing levels and our organizational structure, among other tasks.

We're making a strong effort to ensure that a good cross-section of employees is included in the survey. The mail-out questionnaire, which will be sent to a random sampling of employees, will have 20 questions, five of which are open-ended so you can express your thoughts about the topic. We want your candid and constructive input. These questionnaires are confidential and will be sent directly back to Coopers & Lybrand by each employee surveyed.

The study ends in November and a report is due to the Board early next year. My thanks to Pat McLaughlin, managing director of Organizational Effectiveness, and to Shirley Maimoni of her staff, for providing project direction and oversight for the MTA. I'll keep you posted as the study progresses. □

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Taste of the Future

I drank a refreshing glass of water recently from a very unusual source: the tailpipe of a fuel cell-powered transit bus. The pollution-free "electro-chemical engine" converts hydrogen into electricity through a chemical process. Vapor and a little pure water are all that come out of the tailpipe.

The fuel cell bus, developed by a Canadian company with the assistance of funding from the AQMD, was on display to the media at the Headquarters building, Sept. 25. After a news conference, several Board members and I took a ride on the new bus.

The MTA is interested in fuel cell development because it is one of the propulsion technologies being considered for use in our own

Advanced Technology Transit Bus. With the ATTB, the MTA can help the region meet its clean air goals. The first prototype of the ATTB will be unveiled by the MTA and Northrop in October. □

New Executive Officer

A new executive officer for Administration, Michal R. Robinson, will join the MTA in mid-October. He will replace Terry Matsumoto, who has been named executive officer, Finance.

Currently, Michal is District Engineer and Commander of the Los Angeles District for the U.S. Army Corps of Engineers, where he has been responsible for water resources development, as well as for military construction in much of the southwest region. He has been a member of the Corps since 1971.

Michal has 25 years of experience in engineering, resource management, legislative liaison work, real estate management, community planning, personnel administration, finance, and executive-level management. He is a registered professional engineer.

A graduate of CalPoly with a B.S. in engineering, he also earned a master's degree from Stanford and did post-graduate work at the Army Command and General Staff College and at the Army War College. □

A Tragic Accident

The fatal accident involving an MTA bus that occurred on the 170 Freeway in North Hollywood, Sept. 19, was a profound tragedy for all concerned. On behalf of the MTA, I expressed our heartfelt sympathy to the families of those killed and to the victims injured in the accident.

The MTA and the CHP are conducting investigations to determine the circumstances that led to the chain reaction accident. I have directed all MTA personnel to cooperate fully with these investigations. Following routine procedure, Operator Sergio Blancarte, who was driving the bus at the time of the accident, has been placed on paid leave pending the outcome of our internal investigation. No charges have been filed.

On a positive note, I can report that vehicular accidents involving Metro buses have fallen 34 percent since 1989. The most recent figures from FY 95-96 show 2.94 accidents per 100,000 miles of operation. □

September Board Actions

The MTA will lease 98 new Neoplan CNG buses under an arrangement that could add as much as \$970,000 to the Bus

System Improvement Fund from savings realized through the leasing program. The Board approved the "cross-border" lease agreement with Fuji Bank at its September meeting.

Neoplan is under contract to provide 294 CNG buses to the MTA. The first 196 buses already have been delivered. The lease arrangement would affect the final 98 buses of that order.

The Board also authorized the staff to negotiate a Memorandum of Understanding with APT Senior Ride, Inc., for the operation of the Crenshaw Flexible Destination Shuttle. APT will provide shuttle service in the Crenshaw District for two years at a cost of \$452,448. This action results from the Inner City Needs Assessment Study conducted following the 1992 civil unrest.

In other actions, the Board:

--Approved a one-year extension of the TLAMP management training program at UCLA. Thus far, 99 MTA employees have attended four training sessions aimed at helping staff develop leadership and management skills. By next June, 189 staff will have TLAMP training.

--Approved expenditure of \$13.28 million for employee medical, dental, life and disability benefits, effective Jan. 1, 1997. Of that amount, non-represented employees and Transit Police officers will contribute \$1.6 million for the Flexible Benefits Program. Other union employees are included in the Group Life Insurance Plans, as negotiated. □

CEO HotLine Activity

Calls to the CEO HotLine have covered a wide range of topics. Here are two concerns phoned in recently:

I'm an ATU member and I'd like to enroll in the Metrolink riders subsidy program. Am I eligible?

Neither ATU nor UTU members are eligible for TransitChek, the Metrolink subsidy program, because it's not included as a benefit in your union contracts. Non-represented employees, TCU, Transit Police and Teamsters members are eligible, however.

Why was Red Wing safety boot No. 4473 discontinued? I have a boot voucher and I want that boot.

That Red Wing boot isn't on the MTA's approved list because it doesn't meet minimum safety standards aimed at avoiding slipping accidents. The MTA has some 300 other safety boots and shoes available that do meet safety requirements. I hope you'll order one of those. □



Correction: Mary Lou Echternach's name was misspelled in the September 16 issue of CEO Report.

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