

Temporary Job Became New Career for Lipsky, Who Resigns as Deputy CEO on Dec. 31

By BILL HEARD, Editor
(Dec. 11, 2001) When he arrived at the MTA in August 1997, Allan Lipsky thought he'd help former CEO Julian Burke get the agency back on a solid financial footing and then be off to another assignment.



Deputy CEO Allan Lipsky

After all, that's how it had gone for the previous 20 years or so of his corporate turnaround career. "I was like a doctor dealing with patients," he says, thinking of his years helping rescue savings and loan institutions and other sick companies. "Either they get better and don't need you anymore, or they die and don't need you anymore."

But for Lipsky, who will leave his post as a deputy CEO, Dec. 31, the MTA assignment turned out to be very different – and much more personally rewarding than he had anticipated. "One of the reasons I've stayed so long is that there hasn't been a single day that I haven't learned something new."

CEO Roger Snoble has worked closely with Lipsky since he joined the MTA in October. "Allan has made a valuable contribution to the MTA, not only by strengthening our financial position, but also by improving our business practices. He's helped make the transition to new agency leadership seamless."

For the first two years, Lipsky labored alongside Burke to breathe financial life back into the MTA. Projects were cancelled or put on hold. They reduced and reorganized the agency staff.

Restoring core businesses

During this period, however, the agency also began restoring its core businesses. The MTA initiated a massive investment in its Metro Bus system and completed a major segment of the Metro Rail system.

"Allan was a key factor in our successful opening of the Metro Red Line Segment 3 North Hollywood Extension, ahead of time and under budget," says Dennis Mori, Metro Construction subway project manager. "He believed that we could do it, and his confidence and support encouraged the members of the team to remain motivated and focused on the finish line. We all owe Allan a great amount of thanks for his leadership."

The agency's efforts toward fiscal recovery also succeeded, Lipsky says, and were helped along by a strong economy and a growth in revenues from sales taxes.

"By early 2000," he recalls, "the MTA was financially stable and we could look again at new projects, because we knew we were going to have money to spend on them."

New projects to replace the cancelled Pasadena Blue Line were identified: light-rail lines for the Eastside and the Exposition corridor, a busway project in the San Fernando Valley.

Building again was gratifying

"The opportunity to start building again was one I didn't expect," Lipsky says. "It was really very gratifying."

In addition to stabilizing the agency financially, he ticks off as accomplishments the financing of new transportation corridor projects, the Metro Rapid program and improvements to the bus operation.

Richard Hunt, deputy executive officer, bus maintenance, who served as interim Transit Operations chief, credited Lipsky as "the driving force behind the accelerated bus purchase program."

"He helped shepherd it through the Board approval process," Hunt said. "It has been great working with him and we'll miss him."

Lipsky is quick to credit the staff – "a lot of very talented and very smart people" – for accomplishments during his time at the MTA. "Every time we've asked them to give us something new, efficient and highly-productive, they've given it to us."

Salute to the Board

Lipsky also salutes MTA Board members whose "knowledge of how to get things done in a public environment" was key to moving the agency forward. "They didn't always adopt our recommendations," he says, "but they always gave them fair consideration."

For the past three months, Lipsky has devoted much of his time to managing the transition to new agency leadership under Snoble and Deputy CEO John Catoe.

"Their personal success in the transportation industry is something the MTA hasn't previously had in its top leadership," says Lipsky. "That brings a tremendous element of respect and credibility to the agency."

Although he expects to work on some special assignments for the agency in the early part of the new year, Lipsky plans to spend time with his wife, Marilyn, and visiting with the families of their five children. He'll also be on the lookout for a new corporate turnaround opportunity – "whatever looks interesting and challenging."

But, the MTA – his first occasion to work in the public sector – will remain dear to his heart. "This job has been a gift to me at this point in my life," he says. "I'll always have a love for this agency."

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