

TRANSIT REPORTS

A weekly report
from the office
of the CEO

March 13, 1995



In the last week, my office has fielded many calls about layoff rumors. I've promised to share with you these rumors and speak to their validity. I will be as candid with you as I can about the situation. Yes, as I've mentioned in two recent *CEO Reports*, there will be layoffs.

We are struggling to combat an ever-worsening budget shortfall. The latest budget forecast suggests that the \$57 million deficit for FY 1995 will increase by an additional \$6 million due to the temporary fare agreement implemented on Feb. 1. With reductions in federal assistance, the deficit in 1995-1996 will likely be greater.

How many employees and who will be affected has not been determined. And it won't be determined until we are further along in the budget process. As I've told you, a budget task force began work this month. Each department has been ordered to show cost savings in the preparation of their budget and managers may, in some instances, be able to eliminate projects and outside vendors *instead of* employees.

Headquarters Status

Moving to better news, our new headquarters building is on time. In the long run we will save taxpayers tens of millions of dollars, because we will own our building and no longer have to pay out large rents at two locations.

You may have noticed the new project from the freeway. The Headquarters building itself is about 75 percent complete. This week, contractors are installing drywall and metal studs — vertical elements in the walls — near the central core of the building. They are also completing mechanical work and plumbing. Some of you have wondered about the earthquake code as it applies to our building. I'm told that it is a state-of-the-art design, and meets the latest codes.

The parking garage is 95 percent complete. Tenant improvements, including flooring, wall coverings and cubicles, are just five percent complete, but scheduled for completion by September.

We hope to be out of the 425 building by the end of September and out of the 818 Building by November. A section of Transit Police will be relocated to the Central Maintenance Facility and the balance will move to the Headquarters Building by the end of the year.

We're in the process of procuring an operator for the building's cafeteria. We hope to have that done by May. Also, there will be a restaurant in the building, and recently, we did a survey of employees to find out what sorts of food is of interest. I understand that 21 operators responded to our request for proposals. A task force is reviewing the proposals.

Cheers for Operations!

The Operations Department under Art Leahy has published its first and second quarter of 1995 performance reports, which indicate significant improvement. Among the excellent statistics cited:

- The reduction in the frequency of traffic accidents. The year to date number is 3.2 accidents per 100,000 miles is remarkable considering that the goal 10 years ago was a 5.5. We think the reduction has to do with a more seasoned workforce — fewer new operators are hired — and that we continually emphasize safety.
- The bus and equipment maintenance department

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has continued to improve mechanical reliability — in fact, it showed a 52.8 percent improvement over FY 93 performance.

- In the area of customer complaints, our service improvement programs have had positive impact on complaints about dirty buses, graffiti and fleet reliability. In fact, complaints per 100,000 boardings improved for the fourth consecutive year.
- The Operations Department improved service while reducing the cost of providing bus service. Since FY 93, the unit has reduced its expenditures by 12.33% or by \$68.8 million.

My concern, as well as Art's, continues to be the etchings on the bus windows. We are in the process of implementing a window guard and window replacement program to combat etching on the windows and bus interiors.

Monthly Managers' Meeting

My monthly managers' meeting is scheduled for March 29 in the Los Angeles Room on the 10th floor of the 818 Building. All executive officers, managers and supervisory heads are invited to attend.

Last week I met briefly with Operations division managers and discussed, among other things, how to address the fall-off in bus boardings.

Big Response to Employee Development

Employee Development continues to host some great workshops for staff. In fact, we received an overwhelming response for our *Business Writing* course, according to Development's Cindy Kondo-Lowe. The four-course series for non-contract employees is booked, but another one for administrative support and clerical staff is scheduled for April 26 and 27, and for May 4 and 10. If you're interested in this class or any in our Professional Growth series, give Lavenia Sims a call at 2-7110.

Also, our *Food for Thought* lunch time workshops will feature a course entitled, *Professional Image Enhancement*, on March 28, 29, 30. I understand Employee Development is also in the process of preparing a training curriculum for managers.

Be Aware of Potential Conflicts of Interest

Please be extra careful in your efforts to avoid conflicts of interest in all matters, but especially those pertaining to professional services solicitation. This agency has a strict set of rules and guidelines that govern staff conduct in the processing and consideration of professional solicitations. Make yourself aware of these regulations! Any staff

members who have questions regarding proper conduct should seek counsel from their unit head or the Legal Department. Even the appearance of conflict can cast doubt upon the objectivity and impartiality of staff.

Token Outlets Expanded

Starting Tuesday, March 14, ten McDonald's Restaurants located in the San Fernando Valley, downtown Los Angeles, Hollywood, South Central and East L.A. began selling our discounted transit tokens. The pilot program will last for three months, and, if it is successful, we hope to expand the sale of tokens to a majority of the 282 corporate-owned and franchise McDonald's restaurants in the greater L.A. area.

Angels Flight

The MTA is proud to have provided more than \$750,000 to the rejuvenation of downtown L.A.'s Angels Flight. Last Thursday's ceremony launched the long-awaited restoration and re-installation of one of the city's most beloved cultural landmarks. The railway, when completed next year, will offer residents and visitors to downtown a direct link between Bunker Hill and the Historic core, and direct access to a Metro Red Line station.

Called the Shortest Little Railway in the World, it transported more than 100 million people between 1901 and 1969, offering people an easy way to negotiate the steep terrain of Bunker Hill. It was later removed to make way for the redevelopment of Bunker Hill.

We're pleased that a Metro Red Line station is near the site for the rehabilitated project, and for the first time ever, residents and riders in Bunker Hill will be able to quickly access Union Station and Long Beach. This is a very positive event for the agency.

New Face

Finally, we're delighted that Frank Montalvo is finally on board as director of human resources. Many of you, I'm sure, are getting to know his philosophy as he charts a new path for Human Resources.

- 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.

A publication of the MTA CEO's Office

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