

MOTION BY DIRECTOR FASANA

In the Fall of 2005, the Los Angeles County Metropolitan Transportation Authority is scheduled to begin operations of the Orange Line, a 14-mile landscaped busway connecting Warner Center and the North Hollywood Metro Red Line Station. This transitway will provide 64,000 hours of new service to the residents of Los Angeles County. At this time the agency is trying to resolve a \$40 million shortfall for this fiscal year and annual deficits over \$80 million. In the last two years, as indicated at the January 2005 meeting of the Operations Committee, Metro Operations has made significant improvements in the operations of Contract Services through increased efficiency and effectiveness resulting in carrying more people at a lower cost. Contract Services cost 30% less to operate than service operated directly by Metro Operations. The agency is now presented with a great opportunity to operate a quality service at an annual savings of \$2 to \$3 million without negatively impacting the jobs of existing employees.

I THEREFORE MOVE that the Board of Directors direct staff to report back to the Board at the next Operations Committee meeting on the cost of providing Orange Line service within the organization versus the cost of contracting out the operation of the services, maintenance of vehicles, and the maintenance of the Right of Way and fixed guideway.