

CHIEF OPERATIONS OFFICER'S REMARKS GOVERNANCE COUNCIL MEET AND CONFER

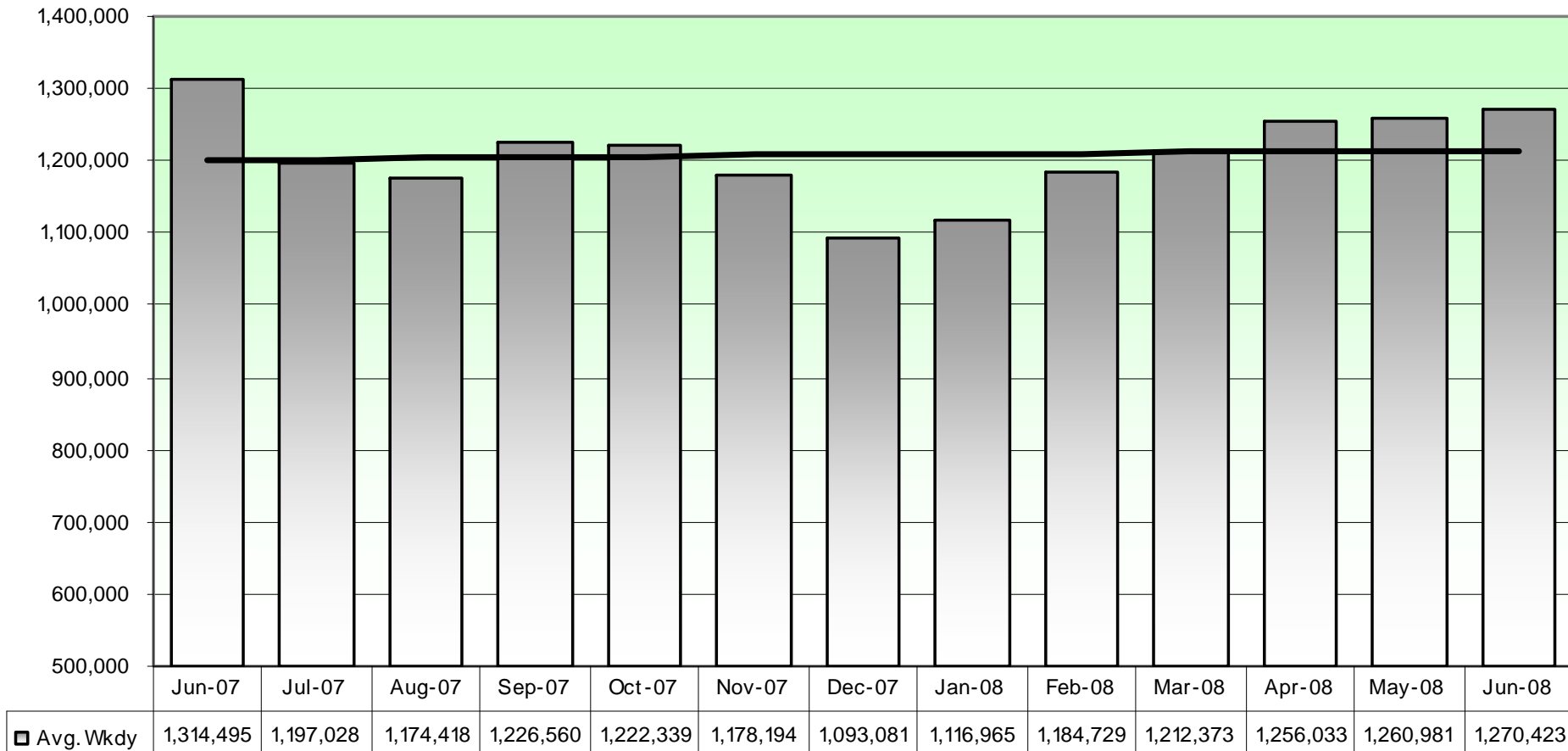
**Carolyn Flowers
Chief Operations Officer
August 20, 2008**

Annual Boardings – By the Numbers

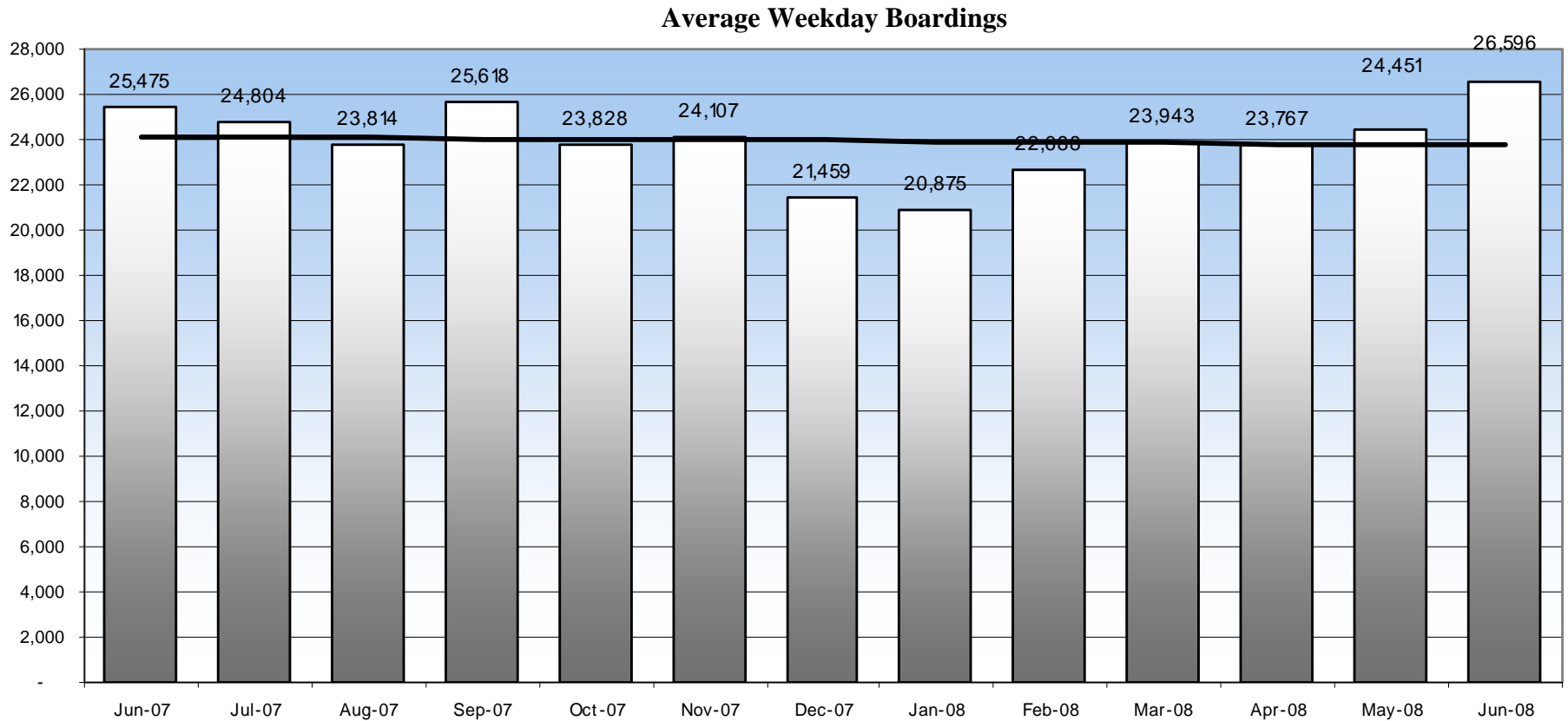
	FY2007	FY2008	Change Incr.+/Decr.-
Bus			
Directly Operated	389,995,928	365,760,001	-6%
Contracted	14,691,668	13,505,877	-8%
Orange Line	<u>6,737,279</u>	<u>7,332,504</u>	<u>9%</u>
Total - Bus	<u>411,424,875</u>	<u>386,598,382</u>	<u>-6%</u>
Rail			
Red Line	40,883,369	43,584,566	7%
Blue Line	24,240,838	24,556,870	1%
Green Line	11,149,292	11,988,015	8%
Gold Line	<u>5,955,172</u>	<u>6,577,680</u>	<u>10%</u>
Total - Rail	<u>82,228,671</u>	<u>86,707,131</u>	<u>5%</u>

Direct and Contracted Bus Ridership

Average Weekday Boardings



Orange Line Ridership



FY08 Accomplishments

- **Warranty generated over \$3 million in cash recovery, and another \$2 million in vendor repairs- more than double our goal.**
- **Implemented eight new Metro Rapid lines and completed our portion of the New Service Plan.**
- **Developed plan for bus service “trip thinning” to reduce revenue service hours by 3.5% with virtually no impact to passengers.**
- **Successfully applied for a Carl Moyer air quality grant that resulted in award of \$5.2 million to repower 304 buses.**
- **Implemented major sustainability projects (solar panel installations and energy efficiency upgrades) at bus divisions and central maintenance for more effective and efficient use of resources and to yield long term savings on utilities. Division 18 was completed in December 2007, and construction of the MSSC project commenced in May 2008.**
- **Completed San Gabriel Valley Sector Office and Transportation Building in July 2007. The \$16.5 million project was completed on-time and within the project budget.**
- **Completed \$32.6 million in bus facilities capital improvement projects in FY08.**
- **Completed the procurement of 95 Artic buses within budget and successfully negotiated the procurement of 260 Compo buses for delivery in the next two years.**



FY08 Accomplishments

- **Reduced year-to-date UTU overtime costs in bus operations through a letter of agreement with the Union to use Part Timers to perform significant amounts of Full Time work to mitigate the shortage of bus operators.**
- **Reduced bus operator vacancies from a level of over 300 vacancies in 2006 down to a level of 34 operators as of beginning of May 2008.**
- **Initiated a wellness program in collaboration with UTU to improve health profile of bus operators, with a goal to reduce absenteeism and maintain health costs at 2009 levels over the next five years.**
- **Resolved 309 out of 525 backlogged pre-arbitration cases since 7-1-06 resulting in a cost avoidance of on arbitration costs on average of \$7,000 per case or approximately \$2.1M.**
- **Coordinated sustainability efforts with planning, construction, procurement and supported the Ad Hoc Sustainability Committee.**
- **Developed pedestrian awareness and educational materials with Communications to decrease the number and severity of accidents at hot spot intersections.**
- **Passed 100% of the California Highway Patrol safety inspections at bus divisions in FY08.**



FY09 Key Performance Measures

- **New Service Quality KPIs to monitor mobility and productivity**
- **Continue to monitor current performance measures for on-street service delivery including ISOTP, Cleanliness, Mean Miles Between Mechanical Failures, Customer Complaints and Accidents**
- **Continue to pursue productivity improvements through technology (M3 and TOAST)**
- **Business Process Improvements, i.e. inventory reduction initiatives, fuel balancing and training**
- **Sustainability efforts to reduce carbon footprint**
- **Focus on community based outreach and marketing programs**