

VILLARAIGOSA, NAJARIAN MOTION

Hiring Freeze, Promotion Freeze & New Consulting Contract Ban

December 4, 2008

The CEO has advised that the MTA Board that existing state budget cuts will create a \$136.3 million deficit in MTA's adopted fiscal year 2008-2009 budget.

In addition, potential additional state budget cuts will only exacerbate MTA's budget woes.

It is our understanding that the CEO intends to present to the MTA Board for approval in January 2009 budget solutions to address the impact of the state budget cuts, but the MTA needs to take immediate action to begin to address the projected budget shortfall.

Of course, continued operation of the MTA transit system is essential, safety must be maintained at all times, and the MTA must keep faith with the voters of Los Angeles County by implementing Measure R.

CONTINUED

I THEREFORE MOVE that the MTA Board of Directors direct the CEO, County Counsel, Ethics Officer, Inspector General, and Board Secretary to:

1. Immediately freeze hiring of any new employees unless exempted elsewhere in this motion
2. Immediately freeze promotions and any other form of compensation increase for all employees except as required by MTA Board ratified memoranda of understanding (MOU)
3. Immediately ban executing any new consulting contracts unless related to safety or Measure R implementation
4. Request exemptions from the hiring and/or promotion freeze as well as the new consulting contract ban in writing to the MTA Board
5. Submit to the MTA Board in writing within 5 business days of the end of each month a monthly report of exempted actions

WE FURTHER MOVE that the MTA Board of Directors exempt from the hiring freeze the following:

1. Employees required for the operation, maintenance, and safety of the MTA transit system (does not include indirect costs)
2. Employees required for the safety of other facilities and property owned or controlled by MTA
3. Employees working on projects funded by Measure R (does not include indirect costs)