



January 27, 2009

AFFILIATED AGENCIES

Orange County
Transit District

Local Transportation
Authority

Service Authority for
Freeway Emergencies

Consolidated Transportation
Service Agency

Congestion Management
Agency

Service Authority for
Abandoned Vehicles

Patrick Kelly
Teamsters Local 952
140 S. Marks Way
Orange, CA 92868-2698

Dear Patrick:

This communication is a follow up to our meetings on December 11, 2008, and January 22, 2009, concerning the Authority budget crisis. As you are aware, the state funding situation and local tax revenues continue to worsen. Therefore, the Authority will be deferring capital projects and reducing operating costs to balance the current year's budget, as well as seeking further reductions for our FY 2009-10 budget.

I am writing to request a meeting as soon as possible to discuss possible agreement between the Authority and Teamsters Local 952 to defer wage increases during the third year of the current collective bargaining agreements covering coach operators and maintenance employees. This cost-savings measure could be a significant contribution to ensuring a balanced operating budget and avoiding personnel reductions. Sherry Bolander will be contacting you to arrange a meeting date.

I would also like to invite you and your business representatives to attend the Finance and Administration Committee meeting tomorrow at 10:30 AM for updated information about the Authority's financial situation and a discussion about budget assumptions.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Gough", written over a horizontal line.

Patrick Gough
Executive Director
Human Resources & Organizational Development

- C: A. Leahy
- B. McCormick
- S. Bolander
- D. Metcalfe, Teamsters 952
- E. Henry, Teamsters 952



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John Lydon, General Chairman
Steve Methner, International Representative
TCU
2820 South 87th Avenue
Omaha, NE 68124

Dear Mr. Lydon and Mr. Methner:

As you are aware from previous communications from the Authority, the state funding situation and local tax revenues continue to worsen. Therefore, the Authority will be deferring capital projects and reducing operating costs to balance the current year's budget, as well as seeking further reductions for our FY 2009-10 budget.

I am writing to request a meeting as soon as possible to discuss a possible mutual agreement between the Authority and Transportation Communication Union (TCU) to defer wage increases during the current collective bargaining agreement. This cost-savings measure could be a significant contribution to ensuring a balanced operating budget and avoiding personnel reductions. Sherry Bolander will be contacting you to arrange a meeting date.

At the Finance and Administration Committee meeting tomorrow at 10:30 AM there will be updated information about the Authority's financial situation and a discussion about budget assumptions. I will share that information with you following the meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Gough", is written over a faint, larger version of the same signature.

Patrick Gough
Executive Director
Human Resources & Organizational Development

- C: A. Leahy
- B. McCormick
- V. Abadessa
- S. Bolander
- D. Metcalfe, Teamsters 952
- E. Henry, Teamsters 952