



Board Report

File #: 2024-0302, **File Type:** Oral Report / Presentation

Agenda Number: 3.

**MEASURE M INDEPENDENT TAXPAYERS OVERSIGHT COMMITTEE
JUNE 5, 2024**

SUBJECT: ORAL REPORT ON THE FY25 BUDGET

ACTION: ORAL REPORT

RECOMMENDATION

RECEIVE oral report on review of the FY25 Budget to support discussion on the effective and efficient use of funds.

ATTACHMENTS

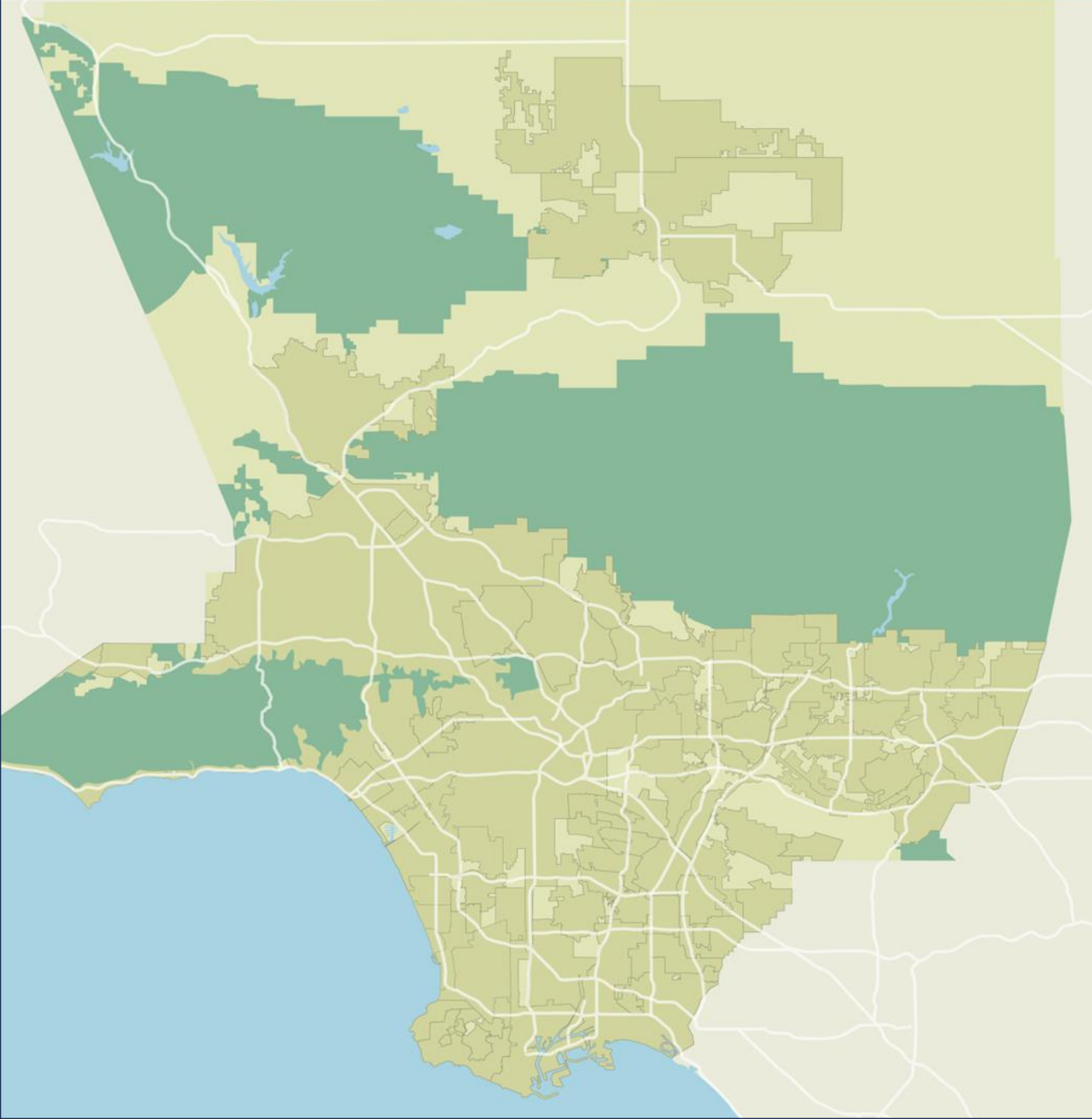
Attachment A - FY25 Budget Presentation

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Reviewed by: Nalini Ahuja, Chief Financial Officer, (213) 922-3088



Agenda



1. PROGRAM HIGHLIGHTS

- > FY25 Proposed Budget: Revenues vs Expenditures
- > Transportation Infrastructure Development (TID)
- > Highway Multimodal Development
- > Regional Rail
- > Regional Allocation & Pass-throughs
- > General Planning & Programming
- > Oversight, Administration & Debt Services
- > Congestion Management
- > Metro Transit – Operations
 - Enhancing Customer Experience
- > Metro Transit - Capital Improvement Program (CIP)

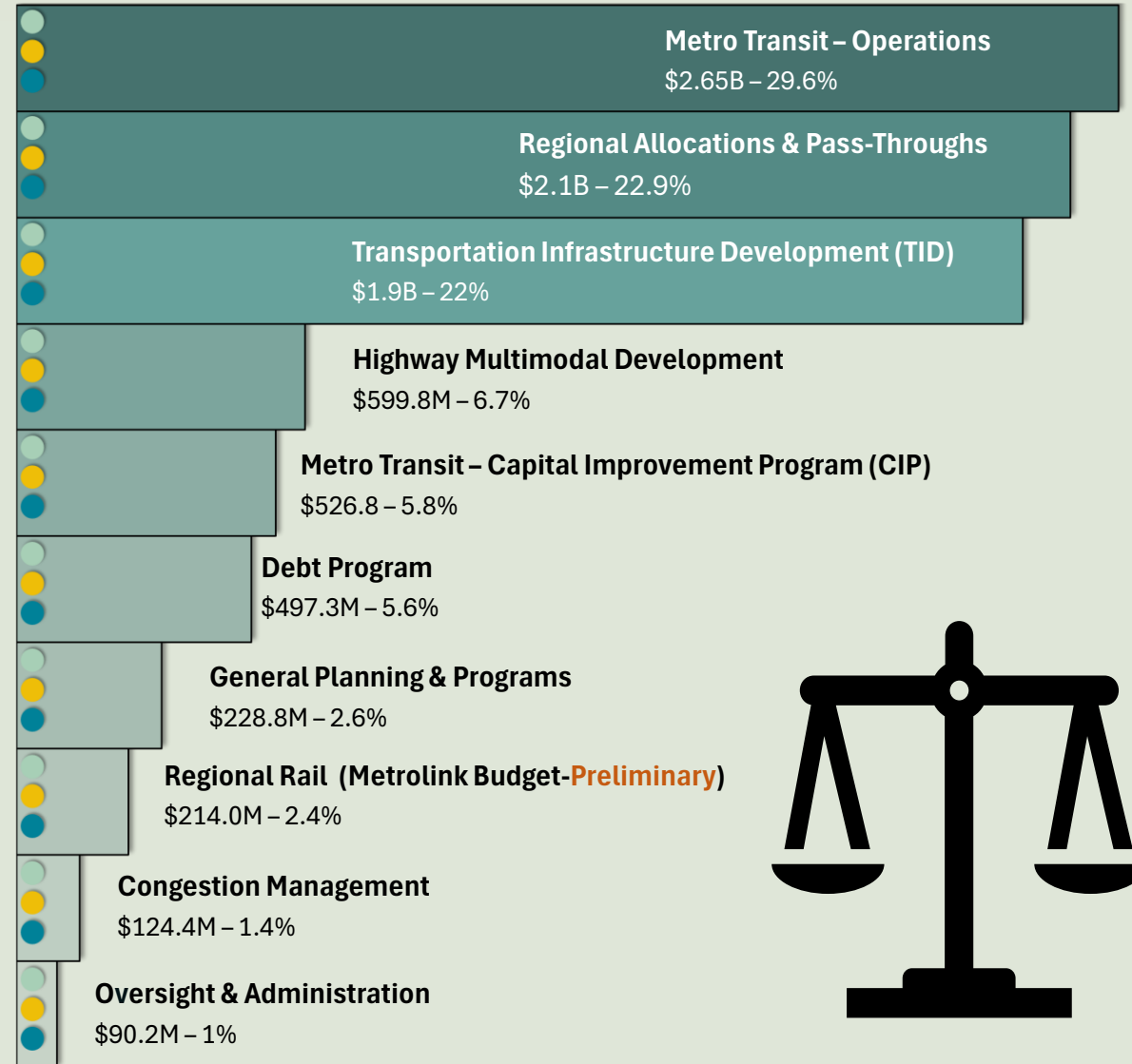
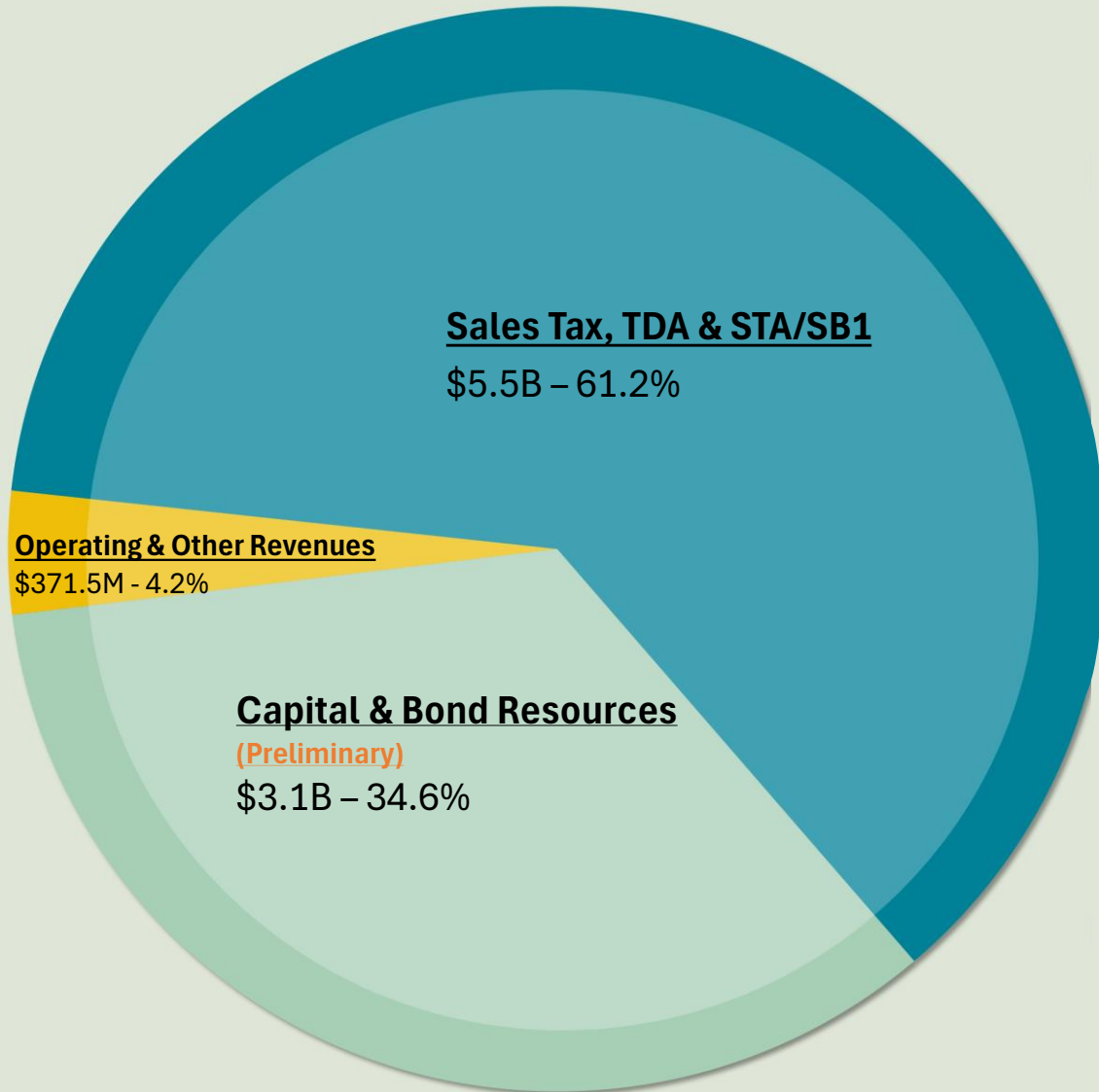
2. EXPANDED PUBLIC ENGAGEMENT



RESOURCES: \$9.0B

EXPENDITURES : \$9.0B

BALANCED





Initiation

Planning

Engineering

Procurement

Construction
/Integration

Operations/Activation
/Integration

Transit Planning Projects: \$352.4M

C Line Extension to Torrance	\$ 58.3
Countywide BRT Planning	2.4
E Line Eastside LRT Phase 2	45.5
Eastside Access	0.6
K Line Northern	8.3
North San Fernando Valley BRT	2.0
Rail & Bus Ops Control Center	16.9
Sepulveda Corridor	60.5
SGV Feasibility Study	1.0
Southeast Gateway Line	136.8
Vermont Transit Corridor	20.1

- > Planning & studies increased by 62.4% over FY24
- > Planning projects continue to advance to various stages

Transit Construction Projects: \$1,612.5M

A Line Extension to Pomona	\$ 146.7
Airport Metro Connector	143.5
D Line Extension (all sections)	694.7
East San Fernando Valley LRT	281.3
Expo Closeout	2.9
G Line BRT Improvements	106.8
K Line (Crenshaw)	21.0
North Hollywood to Pasadena BRT	114.4
Regional Connector	37.7
Systemwide	63.5

- > Construction cashflow decreased 29.3% from FY24
- > All major construction projects continue to progress





Bus Improvements
\$36.9M



Express Lanes/HOV Improvements
\$144.2M



Capacity Improvements
\$126.4M



General Planning
\$3.2M



Traffic Noise Reduction & Property Maintenance
\$30.4M








Local-Subregional Improvements
\$258.7M



OVERVIEW

- > \$599.8M reflect a \$18.3M or 3.0% decrease over FY24
- > ExpressLanes cashflow increased due to I-105 ExpressLanes project
- > Bus-Only Lanes & NextGen Bus Initiative increased 32% from FY24
- > Capacity Improvement investments decreasing as expansion projects progress towards completion
- > New expansion projects (710N/S) rescoped as Mobility Improvement Projects by local municipalities



Link Union Station \$10.5M	Grade Separation Projects \$13.8M	Double Tracking \$13.5M	Regional Rail \$19.1M	Metrolink \$157.1M preliminary
<ul style="list-style-type: none"> > Value engineering > Procure Construction Manager & General Contractor contract 	<ul style="list-style-type: none"> > Rosecrans Boulevard closeout activities > Doran Street: procurement of construction contract 	<ul style="list-style-type: none"> > Brighton to Roxbury & Lone Hill to CP White final design > Transition to Construction 	<ul style="list-style-type: none"> > High Desert Corridor (HDC) rail service plan > Other Regional rail projects 	<ul style="list-style-type: none"> > *FY25 Metrolink budget -- pending approval 

OVERVIEW

- > \$214.0M reflects a 32% or \$100.5M decrease from FY24
- > Double Tracking & Grade Separation transitioning to construction phase
- > Metrolink budget still pending approval
- > HDC Finalizing Service Development Plan & proceeding with preliminary design



Local Return, TDA 3 & 8 \$921.4M	Regional Transit \$779.1M	Major Projects \$211.0M	Other Local Programs \$81.7M	Fare Assistance (LIFE Program) \$34.3M	Regional Federal Grants \$23.7M
<ul style="list-style-type: none"> > Allocations to 88 cities & LA County for transit & mobility improvements > Local Return - Props A & C, Meas. R & M > TDA Articles 3 & 8 	<ul style="list-style-type: none"> > Municipal & Local Operators' Funds > Access Services 	<ul style="list-style-type: none"> > Alameda Corridor East Phase II > Antelope Valley Metrolink Line Projects > Inglewood Transit Corridor > Sankofa Park Project 	<ul style="list-style-type: none"> > Call for Projects > Active Transportation & Transit Programs > Congestion Reduction Toll Revenue Grants > Federal Pass-Throughs > Transit Oriented Development Grants 	<ul style="list-style-type: none"> > Low Income Fares is Easy (LIFE) Program provides fare assistance to low-income transit riders 	<ul style="list-style-type: none"> > Job Access Reverse Commute (JARC) > New Freedom Program > Section 5310 > Surface Transportation Program - Local Exchange 

OVERVIEW

- > \$2.1B reflects a \$6.8M or 0.3% reduction from FY24
- > FY25 revenues lower than FY24
- > Separate Board Action on Access Services & Transit Fund allocations (June)
- > Metro allocates funds to transit agencies & jurisdictions for projects
 - > 89% passed through per policy & legislation
 - > 11% for Access Services & LIFE Program



Unsolicited Proposals, P3 & Other \$7.9M

- Mobility Wallet Pilot
- Travel Rewards
- Integrated Event Ticketing,
- Visionary Seed Program



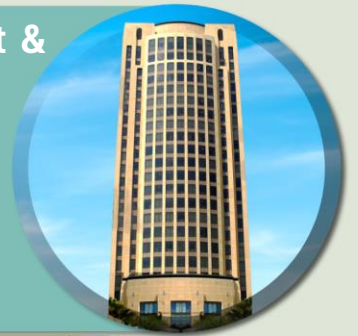
Property Management \$76.8M

- Union Station Management Services & Maintenance
- Metro Training & Innovation Center



Financial, Grants, Management & Admin \$48.3M

- General Planning & Programming
- Long Range Planning
- Regional Grants Management



Active Transportation, Bike & Other \$95.8M

- Bike Share Program Operating/Maintenance
- Bike Hub/Lockers
- LA River Bike Path



OVERVIEW

> \$228.8M reflects a 3.6% or \$8.6M decrease from FY24

> Comprised of mobility initiatives and other programs reported in four major categories



Oversight & Admin

\$90.2M



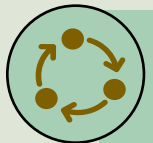
Valuing Workforce \$23.3M



Customer Experience \$4.8M



Diversity Equity Inclusion \$2.3M



Ongoing Activities \$59.9M

Debt Program

\$497.3M

Mobility & Air Quality



Regional Surface Transportation



Local Traffic System



Measure R/M construction projects



OVERVIEW

- > \$90.2M reflects a 7% or \$5.9M increase from FY24
- > O&A is approximately 1.1% of FY25 Preliminary Budget
- > Ongoing activities: Legal services, ethical compliance, Office of Inspector General services, regulatory environmental assessments & mandated audits

- > \$497.3M reflects a 1.5% or \$7.5M increase from FY24
- > Debt service costs for existing debt to fund Measure R/M construction projects and other capital projects



ExpressLanes

\$55.5M

- > Improve traffic flow & travel patterns on the 110 & 10 freeways

Motorist Services

\$14.1M

- > LA SAFE
- > Kenneth Hahn Callbox System
- > 511 Traveler Information System
- > Regional Integration of Intelligent Transportation Systems (RIITS)



Freeway Service Patrol

\$40.8M

- > Congestion mitigation & freeway services program managed in partnership with Metro, CHP & Caltrans on major freeways



Rideshare Services

\$14.0M

- > Regular Shared Mobility (RSM)
- > Vanpool Incentives
- > Transportation demand management (TDM)



OVERVIEW

- > \$124.4M reflects a 4.8% or \$6.3M decrease from FY24
- > Freeway Patrol will procure new tow service contracts including service & vehicles

- > Rideshare Services will experience an increase in the Board-approved vanpool subsidy which is offset by a decrease in labor due to staff realignment



Bus Service
\$1.75B

- > 7.16M RSH
- > Improving Speed and Reliability
- > Advancing NextGen Initiatives
- > 3.6% increase over FY24 est. RSH actuals



Rail Service
\$855.0M

- > 1.40M RSH
- > New 10-minute service: B & D lines
- > 2 New Stations – Airport Metro Connector & Aviation Century
- > 16.4% increase over FY24 est. RSH actuals



Metro Micro
\$41.9M

- > 271.4K RSH
- > Pilot program extended - September 2024



RSH = Revenue Service Hours

OVERVIEW

- > RSH for FY25 reflects a 5.3% increase over FY24 estimated actuals
- > PLE 1 & A-line - Pomona Extension Testing
- > A and E Lines enhanced frequencies (8-min peak /10-min off-peak)
- > C and K Lines 10-min daytime frequency introduced in December 2023 until end of 2024.
- > Planned launch of C Line & K Line with improved weekday peak frequency of 8-min by end of 2024.
- > B & D lines improved frequency to 10 minutes



NextGen	Public Safety Multi-layer Approach	Cleaning	Station Experience
<ul style="list-style-type: none"> > Bus Priority Lanes, curb modifications & layover optimization > Camera Bus Lane Enforcement > North San Fernando Valley Bus Rapid Transit Network Improvements - bus shelters 	<ul style="list-style-type: none"> > Expansion of Ambassador deployment sites Supporting Street Team & K-Line > 53 Additional Transit Security staff for weekends, late nights, and expanding bus-riding teams 	<ul style="list-style-type: none"> > Rail Stations: Custodial staff @ 17 Hot Spots > 7 day/week bus terminal cleaning > 165 new custodial staff & 50 Room-to-Work participants > Safe & Smart public restroom pilot 	<ul style="list-style-type: none"> > Expansion of Westlake MacArthur pilot to Pershing Square, Compton, Firestone, Harbor Freeway, Lake, Norwalk, & Pico > Improve lighting, ventilation, fare gates, cameras, elevator safety & public restrooms 

OVERVIEW

- > Reassessing safety protocols
- > Upholding accessibility & affordability in transit choices

- > Additional staff to enhance station experience
- > Continuing Room to Work program – increased capacity
- > Daily Terminal cleaning includes 4 terminals; 7-days a week



Bus
\$141.7M

- > NextGen implementing Bus Priority Lanes, curb modifications, & layover optimization
- > Transit Signal Priority
- > Bus Mobile Validators



Rail
\$225.7M

- > New Rail cars for PLE 1/2/3 service expansion & replacement
- > Station enhancements including lighting, art, & security for customer experience initiative



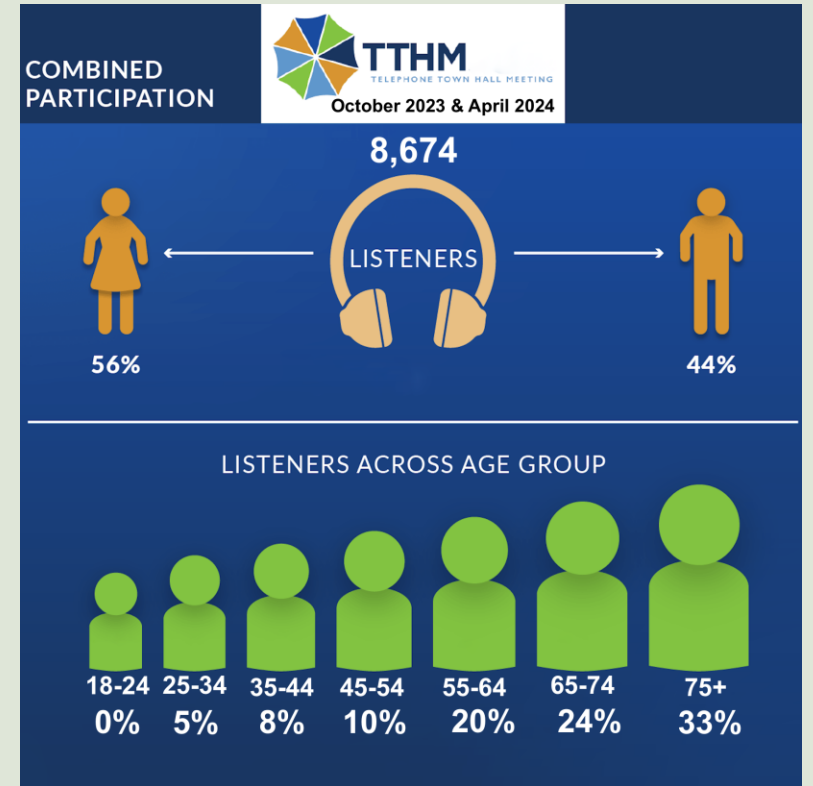
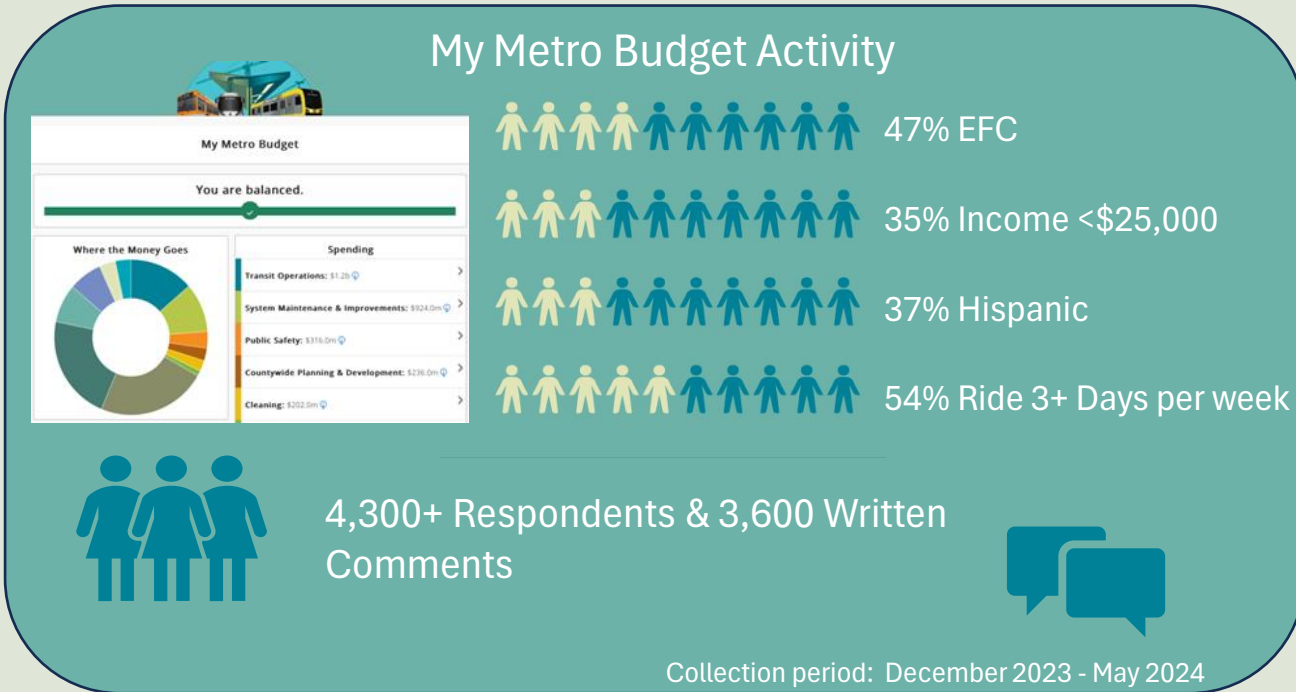
Other Asset Improvement
\$159.4M

- > Ticket Vending Machines
- > Enhanced CCTV



OVERVIEW

- > \$526.8M reflects a 2.3% or \$12.5M decrease from FY24
- > Significant investments made in Transit Signal Priority (TSP) & Bus Mobile Validators (BMV) for all door boarding
- > Investments in track/tunnel intrusion technology & improvements to signage/wayside throughout the system
- > Tech enhancements to improve the customer experience, including EV charging stations



What We Heard:

- Safety & Security
- Cleanliness of System
- Service Frequency & Reliability



What Metro is Doing:

- Safety & Security – 10% budget increase
- Cleanliness of System – 14.4% budget increase
- Service Frequency & Reliability – 5.5% RSH budget increase vs FY24 estimated actuals



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> budget.metro.net

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> budgetcomments@metro.net

> LACMTA
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Los Angeles, CA 90012-2932
Atten: Board Clerk

> May 15, 2024

> Upcoming TTH dates available on metro.net/calendar/



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