



Board Report

File #: 2025-0792, File Type: Program

Agenda Number: 12.

PLANNING AND PROGRAMMING COMMITTEE OCTOBER 15, 2025

SUBJECT: CALIFORNIA SB1 STATE OF GOOD REPAIR PROGRAM

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

APPROVE the Resolution in Attachment A that:

- A. AUTHORIZES the Chief Executive Officer (CEO) or designee to claim \$52,339,689 in fiscal year (FY) 2025-26 State of Good Repair Program (SGR) grant funds as the Regional Entity for Los Angeles County for this program;
- B. APPROVES the regional SGR Project List for FY2025-26 in Attachment B; and
- C. CERTIFIES that Metro will comply with all conditions and requirements set forth in the SB1 SGR Certification and Assurances document and applicable statutes, regulations and guidelines.

ISSUE

In order to receive SB1 SGR grant funds for Metro and other eligible operators in Los Angeles County, Metro as the Regional Entity, is required to submit an adopted Board resolution approving the combined project list and certifying that Metro will comply with all conditions and requirements set forth in the Certifications and Assurances documents. The recommendation, if approved, would allow Metro to meet program requirements and ensure SB1 SGR funds are available for eligible Los Angeles County agencies.

BACKGROUND

As defined in The Road Repair and Accountability Act of 2017, known as Senate Bill 1 (SB1), the SGR Program provides approximately \$138 million in this cycle to transit operators in California for eligible transit repair, rehabilitation, and capital projects to help keep transit systems in a state of good repair. These new investments will lead to cleaner transit vehicle fleets, increased reliability and safety, and reduced greenhouse gas emissions.

Pursuant to PUC Section 99312.1, the funds for the SGR Program are distributed to eligible agencies

using the State Transit Assistance formula. This formula distributes half of the funds based on population and half according to transit operator revenues. Within Los Angeles County, the revenues will be distributed according to the Metro Board-adopted Measure R 20% Bus Operations formula.

DISCUSSION

Caltrans guidelines state that eligible transit operators shall submit their own project requests directly to Caltrans and provide a list of those projects to their Regional Entity, as defined by Public Utilities Code (PUC) Sections 99313 and 99314. For Los Angeles County, Metro is both the Regional Entity and a direct recipient of these funds.

Program requirements and deadlines are discussed at Bus Operations Subcommittee (BOS) meetings. Metro staff are available to provide guidance if requested. However, each individual agency is ultimately responsible for selecting their own projects and submitting their requests to Caltrans' online SMART system. Caltrans staff review all submittals, ask follow-up questions if necessary, and send the final list of county projects to Metro in early September. The 2025-2026 project list is included in Attachment B. Examples of capital improvements contained in the project list include replacement vehicle purchase, bus and rail preventive maintenance, rehabilitation of bus and facility equipment, electrification of bus maintenance facility, and transit facility improvements.

Metro is required to submit the combined project list to Caltrans by September 5, 2025. The submittal package must include an adopted Board resolution approving the Project List and certifying that Metro will comply with all conditions and requirements set forth in the Certifications and Assurances documents. The final project list was not received by Metro until September 12, 2025, too late to include in the September Board cycle. Caltrans has accepted a draft resolution with the project list submittal pending receipt of a Board-adopted resolution. Therefore, staff is seeking Board approval of the resolution contained in Attachment A.

DETERMINATION OF SAFETY IMPACT

The requested actions will provide additional funding for state of good repair activities that will enhance the safety of Metro's and the Municipal Operators' customers and employees.

FINANCIAL IMPACT

Adoption of the SGR resolution would positively impact the region by making an estimated \$52.3 million available to support state of good repair efforts for Metro and the Municipal Operators. The actual amount is dependent upon SB1 revenues received during the year.

Impact to Budget

Claiming SGR funds will have a positive impact on the FY26 budget, as Metro is one of the regional recipients of these funds.

EQUITY PLATFORM

This program helps fund rehabilitation and state of good repair activities for Metro and the Municipal

Operators throughout Los Angeles County. Projects include bus stop shelter replacements, zero emission vehicles, charging facilities and repairs to existing vehicles and facilities. These projects will enhance service frequency and reliability and provide customer experience benefits to Los Angeles County transit riders.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

While this item does not directly encourage taking transit, sharing a ride or using active transportation, it is a vital part of Metro's operations, as it is a funding requirement and it provides transparency and accountability. Because the Metro Board has adopted an agency-wide VMT reduction target, and this item supports the overall function of the agency, this item is consistent with the goals of reducing VMT.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports the following Metro Strategic Plan Goal:

Goal # 5: Provide responsive, accountable, and trustworthy governance within the Metro Organization.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the resolution in Attachment A. Staff does not recommend this alternative because it would risk loss of the region's FY25-26 SGR fund allocation.

NEXT STEPS

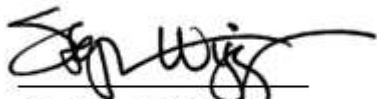
Upon approval, staff will submit the Resolution to Caltrans.

ATTACHMENTS

Attachment A - Resolution to Accept and Distribute Los Angeles County SGR Funds
Attachment B - Submitted Project Listing From Metro and Municipal Operators

Prepared by: Rufus E. Cayetano, Senior Director, Finance, (213) 922-2379
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Reviewed by: Nalini Ahuja, Chief Financial Officer, (213) 922-3088

A handwritten signature in black ink, appearing to read 'Step Wiggins', written over a horizontal line.

Stephanie Wiggins
Chief Executive Officer

ATTACHMENT A
RESOLUTION TO ACCEPT AND DISTRIBUTE LOS ANGELES COUNTY SGR FUNDS

RESOLUTION # _____

APPROVING THE PROJECT LIST FOR FY 2025-26
FOR THE CALIFORNIA STATE OF GOOD REPAIR PROGRAM

WHEREAS, Senate Bill 1 (SB1), the Road Repair and Accountability Act 2017, establishing the State of Good Repair (SGR) program to fund eligible transit maintenance, rehabilitation and capital project activities that maintain the public transit system in a state of good repair; and

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (Metro) is an eligible project sponsor and may receive and distribute State Transit Assistance – State of Good Repair funds to eligible project sponsors (local agencies) for eligible transit capital projects;

WHEREAS, Metro will be distributing SGR funds to eligible project sponsors (local agencies) under its regional jurisdiction; and

WHEREAS, Metro concurs with and approves the attached project list for the State of Good Repair Program funds:

NOW, THEREFORE, BE IT RESOLVED, that Metro hereby approves the SB1 State of Good Repair Project List for FY 2025-26; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of Metro that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all SGR funded transit capital projects.

NOW, THEREFORE, BE IT RESOLVED, that the CEO is hereby authorized to submit a request for Scheduled Allocation of the SB1 State of Good Repair funds and to execute the related grant applications, forms and agreements.

AGENCY BOARD DESIGNEE:

BY: _____

Attachment B
Submitted Project Listing From Metro and Municipal Operators

Agency	Fund FY	Project Title	Project Description	FY 25/26 Estimated 99313 Costs	FY 25/26 Estimated 99314 Costs	Other Costs	Total Project Costs
Antelope Valley Transit Authority	25/26	Transit Center Security and Amenities Project	Modernization of transit centers used by AVTA - includes the addition of security cameras, lighting, canopies, and other amenities which will increase security for passengers.		\$ 520,428	\$ 40,000	\$ 560,428
City of Commerce	25/26	Security Equipment and Systems Replacement	The SGR funds will be used to replace security equipment and systems within the City's transit fleet and facilities.		\$ 39,229	\$ -	\$ 39,229
City of Culver City	25/26	Transit Vehicle Repair	Repair of heavy-duty transit bus vehicle fleet. Does not include oil changes and other activities associated with the standard preventive maintenance checklist. Added 25/26 funds to this project.		\$ 433,820	\$ -	\$ 1,324,930
City of Gardena	25/26	23/24 Capital Bus Components/Facility Equipment	Replacement bus components and facility equipment.		\$ 427,943	\$ -	\$ 888,247
City of Los Angeles	25/26	Electrification of LADOT Washington Ave Bus Maintenance Facility	LADOT seeks funding to electrify the Washington Blvd. Bus Maintenance Facility to support an all-electric bus fleet. SGR funding supports the purchase and installation of electrical infrastructure for bus electrification at Washington Blvd. Transferred 18/19 funds to 2021-5006-006.		\$ 1,167,063	\$ 19,068,897	\$ 22,802,063
City of Montebello	25/26	Replacement CNG Buses	Replace up to four 40 ft CNG buses 39 passengers.		\$ 639,784	\$ 2,500,000	\$ 3,139,784
City of Norwalk	25/26	Transit Facility Improvements	The south end access gate will be replaced with a functional RFID gate as the current gate is broken and can only be operated by hand. Installation of a new HVAC system for the customer lobby will allow for increased protection from COVID. First- and third-floor Phase III facility improvements will enhance transit operations.		\$ 238,532	\$ -	\$ 405,703
City of Redondo Beach	25/26	Transit Center Facility Improvements	Transit Center Facility Improvements may include essential repairs and upgrades across various components of the transit center such as structural repairs, hvac system, plumbing system, cosmetic improvements, shelter & seating.		\$ 26,491	\$ -	\$ 26,491
City of Redondo Beach	25/26	Transit Operations Facility Improvements	Transit Operations facility improvements that may include interior improvements to the general office space, bathroom, and storage space for use by Transit Operations. The project may also include exterior improvements to the facility.		\$ 26,491	\$ -	\$ 224,834

Attachment B
Submitted Project Listing From Metro and Municipal Operators

Agency	Fund FY	Project Title	Project Description	FY 25/26 Estimated 99313 Costs	FY 25/26 Estimated 99314 Costs	Other Costs	Total Project Costs
City of Santa Clarita	25/26	Transit Maintenance Facility Electric Vehicle Charging Infrastructure	Procure and install electric vehicle charging infrastructure to meet the California 100% Zero Emission Bus (ZEB) rule.		\$ 317,238	\$ -	\$ 317,238
City of Santa Monica	25/26	Bus Replacement	Purchase approximately 103 Zero-Emission Vehicles to replace CNG buses that have reached it's useful life of 12 years.	\$ -	\$ 1,610,418	\$ -	\$ 7,614,878
City of Torrance	25/26	Torrance Transit SB1 State of Good Repair Rehab & Repair Vehicles	Repair and maintenance of the vehicles after an accident or through wear and tear during prolonged service. Funds will also be used to maintain the physical exterior of the buses such as decals, paint, molding, etc. to ensure protection from the elements and maximum usage during the vehicles expected useful operating life.		\$ 514,794	\$ -	\$ 1,875,414
Foothill Transit	25/26	Bus Repair and Rehabilitation	Activities, supplies, materials, labor, services, and associated costs required to repair and rehabilitate the rolling stock to preserve or extend the functionality and serviceability of the buses.		\$ 2,291,366	\$ -	\$ 7,443,836
Long Beach Public Transportation Company	25/26	Bus Rehabilitation	Support the state of good repair through targeted rehabilitation of the agency's compressed natural gas (CNG) bus fleet. *New Project		\$ 1,373,143	\$ -	\$ 1,373,143
Long Beach Public Transportation Company	25/26	Dial-a-Lift (DAL) Replacement	Replace Dial-a-lift vans that have met their useful life. Requesting funding to support the purchase of up to (10) 17' battery-electric passenger vans that are fully ADA-compliant, accommodating up to 6-9 passengers.		\$ 584,821	\$ -	\$ 584,821
Los Angeles County	25/26	Bus Stop Shelters Replacement Throughout LA County	Replace up to 170 bus stop shelters located throughout the Los Angeles area. Each bus stop shelter will consists of a bench, a trash receptacle and illumination from dusk to dawn.		\$ 76,490	\$ -	\$ 434,947
Los Angeles County Metropolitan Transportation Authority	25/26	Metro Bus Vehicle Repair and Rehab	Repair and rehabilitation expenses at all Metro Bus Operating Divisions and the Central Maintenance Facility.		\$ 23,305,689	\$ -	\$ 71,333,934
Los Angeles County Metropolitan Transportation Authority	25/26	Metro Rail Vehicle and Wayside Rehabilitation and Repair	Rehabilitation and repair expenses of Metro Light and Heavy Rail rolling stock and wayside facilities. This is non-routine maintenance to maintain safety and reliability of the system.	\$ 18,745,950		\$ -	\$ 77,968,713
Los Angeles County Total				\$ 18,745,950	\$ 33,593,739	\$ 21,608,897	\$ 198,358,632

**FY
26**



ITEM # 12

California SB1 State of Good Repair Program



**Planning and Programming Committee
October 15, 2025**



- Road Repair & Accountability Act of 2017 [Senate Bill 1 (SB1)]
 - Provides \$138M in FY26 transit capital funding statewide through the State of Good Repair (SGR) Program
- Eligible for transit repair, rehabilitation & other capital projects to help maintain systems in a state of good repair
- LA County's share of FY26 SB1 SGR funds is approximately \$52.3M
- To receive funds, Metro, as regional entity, must submit an adopted resolution that:
 - Approves Metro & other eligible operator projects
 - Certifies program compliance

Recommendation

**FY
26**

M Metro



CONSIDER approving the Resolution in Attachment A that:

- A. AUTHORIZES the Chief Executive Officer (CEO) or designee to claim \$52,339,689 in fiscal year (FY) 2025-26 SGR grant funds for Los Angeles County for this program; and
- B. APPROVES the regional SGR Project List for FY25-26 in Attachment B; and
- C. CERTIFIES that Metro will comply with all conditions and requirements set forth in the SB1 SGR Certification and Assurances document and applicable statutes, regulations and guidelines.