

Metro

*Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
3rd Floor Board Room*



Agenda - Final

Thursday, June 22, 2017

9:00 AM

**One Gateway Plaza, Los Angeles, CA 90012,
3rd Floor, Metro Board Room**

Board of Directors - Regular Board Meeting

*John Fasana, Chair
Eric Garcetti, 1st Vice Chair
Sheila Kuehl, 2nd Vice Chair
Kathryn Barger
Mike Bonin
James Butts
Jacquelyn Dupont-Walker
Robert Garcia
Janice Hahn
Paul Krekorian
Ara Najarian
Mark Ridley-Thomas
Hilda Solis
Carrie Bowen, non-voting member*

Phillip A. Washington, Chief Executive Officer

**A written request to address the Board should be submitted in person at the meeting to the Board Secretary prior to the item being called for discussion. Once discussion on an item begins, requests to speak on that item will no longer be accepted.*

METROPOLITAN TRANSPORTATION AUTHORITY BOARD RULES

(ALSO APPLIES TO BOARD COMMITTEES)

PUBLIC INPUT

A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for one (1) minute per item, or at the discretion of the Chair. A request to address the Board should be submitted in person at the meeting to the Board Secretary. Individuals requesting to speak on more than three (3) agenda items will be allowed to speak up to a maximum of three (3) minutes per meeting. For individuals requiring translation service, time allowed will be doubled.

Notwithstanding the foregoing, and in accordance with the Brown Act, this agenda does not provide an opportunity for members of the public to address the Board on any Consent Calendar agenda item that has already been considered by a Committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the Committee on the item, before or during the Committee's consideration of the item, and which has not been substantially changed since the Committee heard the item.

The public may also address the Board on non-agenda items within the subject matter jurisdiction of the Board during the public comment period, which will be held at the beginning and/or end of each meeting. Each person will be allowed to speak for up to three (3) minutes per meeting and may speak no more than once during the Public Comment period. Speakers will be called according to the order in which the speaker request forms are received. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

CONDUCT IN THE BOARD ROOM - The following rules pertain to conduct at Metropolitan Transportation Authority meetings:

REMOVAL FROM THE BOARD ROOM The Chair shall order removed from the Board Room any person who commits the following acts with respect to any meeting of the MTA Board:

- a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
- b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
- c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
- d. Any other unlawful interference with the due and orderly course of said meeting.

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NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA

CALL TO ORDER

ROLL CALL

1. APPROVE Consent Calendar Items: 2, 10, 11, 12, 13, 14, 15, 17, 18, 19**, 20, 21, 22, 24, 27, 28, 29, 30, 31, 32, 36, 39, 40, 42, 44 and 45.

CONSENT CALENDAR

2. APPROVE **Minutes of the Regular Board Meeting held May 25, 2017.** [2017-0411](#)

Attachments: [ATTACHMENT A - May 25, 2017 Minutes](#)

FINANCE, BUDGET AND AUDIT COMMITTEE RECOMMENDED APPROVAL (3-0):

10. **SUBJECT: EXCESS LIABILITY INSURANCE PROGRAM** [2017-0306](#)

AUTHORIZE the Chief Executive Officer to negotiate and award excess liability insurance policies with up to \$300 million in limits at a cost not to exceed \$4.5 million for the 12-month period effective August 1, 2017 to August 1, 2018.

Attachments: [Attachment A- Shared Use Agreements with the Freight Railroads.pdf](#)
[Attachment B- 2016/2017 Liability Insurance Carriers.pdf](#)
[Attachment C- Options, Premiums and Loss History.pdf](#)

FINANCE, BUDGET AND AUDIT COMMITTEE RECOMMENDED APPROVAL (4-0):

11. **SUBJECT: FISCAL YEAR 2018 TRANSIT FUND ALLOCATIONS** [2017-0319](#)

CONSIDER:

- A. APPROVING \$2.1 billion in FY2018 Transit Fund Allocations for Los Angeles County jurisdictions, transit operators and Metro operations as shown in Attachment A. These allocations comply with federal, state and local regulations and LACMTA Board - approved policies and guidelines. Measure M allocations are subject to Board approval of Measure M guidelines.
- B. AUTHORIZING the Chief Executive Officer to adjust FY2018 Federal Section 5307 (Urbanized Formula), Section 5339 (Bus and Bus Facilities) and Section 5337 (State of Good Repair) allocations upon receipt of final apportionment from the Federal Transit

Authority and amend FY2018 budget as necessary to reflect the aforementioned adjustment.

- C. APPROVING fund exchange in the amount of \$6.0 million of Santa Monica's Big Blue Bus' FY2018 Federal Section 5307 formula share allocation with Metro's TDA Article 4 allocation.
- D. APPROVING fund exchange of Federal Section 5307 discretionary fund awarded to the Southern California Regional Transit Training Consortium (SCRTTC) through Long Beach Transit in the amount of \$300,000 with Metro's TDA Article 4 allocation.
- E. APPROVING fund exchanges in the amount totaling \$11.2 million of Metro's share of Federal Section 5307 with Municipal Operators' shares of Federal Sections 5339 and 5337.
- F. ADOPTING a resolution designating Transportation Development Act (TDA) and State Transit Assistance (STA) fund allocations are in compliance with the terms and conditions of the allocations (Attachment C); and
- G. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements to implement the above funding programs.

Attachments: [Attachment A FY18 funding marks](#)
 [Attachment B FY18 FAP Board report](#)
 [Attachment C - FY18 FAP Board report](#)

FINANCE, BUDGET AND AUDIT COMMITTEE RECOMMENDED APPROVAL (4-0):

**12. SUBJECT: ACCESS SERVICES PROPOSED FISCAL YEAR 2018
 BUDGET**

[2017-0335](#)

CONSIDER:

- A. APPROVING local funding request for Access Services (Access) in an amount not to exceed \$91,892,571 for FY18. This amount includes:
 - Operating and Capital funds in the amount of \$89.7 million; and
 - Funds paid directly to Metrolink in the amount of \$2.2 million for its participation in Access' Free Fare Program

-
- B. AUTHORIZE the Chief Executive Officer to negotiate and execute all necessary agreements between Metro and Access.

Attachments: [Attachment A - FY18 Access Funding Sources](#)

FINANCE, BUDGET AND AUDIT COMMITTEE RECOMMENDED APPROVAL (4-0):

**13. SUBJECT: TRANSPORTATION DEVELOPMENT ACT (TDA)
 ARTICLE 8 FUND PROGRAM**

[2017-0351](#)

ADOPT:

- A. FINDINGS AND RECOMMENDATIONS (Attachment A) for allocating fiscal year (FY) 2017-18 Transportation Development Act (TDA) Article 8 funds estimated at \$24,973,370 as follows:
1. In the City of Avalon there are no unmet transit needs that are reasonable to meet, therefore TDA Article 8 funds (Attachment B) in the amount of \$141,320 may be used for street and road projects, or transit projects, as described in Attachment A;
 2. In the Cities of Lancaster and Palmdale, transit needs are met using other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$6,036,022 and \$6,150,445 (Lancaster and Palmdale, respectively) may be used for street and road purposes and/or transit, as long as their transit needs continue to be met;
 3. In the City of Santa Clarita, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$8,438,112 for the City of Santa Clarita may be used for street and road and/or transit, as long as their transit needs continue to be met;
 4. In the Los Angeles County Unincorporated areas of North County, the areas encompassing both the Antelope Valley and the Santa Clarita Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$4,207,471 may be used for street and road purposes and/or transit, as long as their transit needs continue to be met; and

- B. A RESOLUTION (Attachment C) making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

Attachments: [A- FY18proposedfindingsandrecommendations](#)
 [B- TDA8ApportionmentattachmentB](#)
 [C- FY2017-18TDAarticle8resolutionC](#)
 [D- HistoryanddefinitionsTDA8D](#)
 [E- TDA Article 8 Public HearingprocessE](#)
 [F- FY18 Comment Summary Sheet- TDA Article 8 Unmet Transit Needs Public](#)
 [G- Summary of Recommendations and Actions Taken](#)
 [H- PropsedecommodationofSSTAC](#)

FINANCE, BUDGET AND AUDIT COMMITTEE RECOMMENDED APPROVAL (4-0):

**14. SUBJECT: FY 2017-18 METROLINK ANNUAL WORK PROGRAM
 BUDGET**

[2017-0389](#)

CONSIDER:

- A. APPROVING the Southern California Regional Rail Authority's (SCRRA) FY 2017-18 (FY18) Annual Work Program pursuant to their revised May 16, 2017, budget transmittal (Attachment A);
- B. APPROVING the Los Angeles County Metropolitan Transportation Authority's (LACMTA) share of SCRRA FY18 Metrolink funding totaling \$84,260,839 for programs detailed in Table 1;
- C. APPROVING increasing the Antelope Valley Line 100% Fare Enforcement program's FY17 funding contribution from \$1,700,000 to \$2,005,573;
- D. EXTENDING the lapsing dates for funds previously allocated to SCRRA for the Rehabilitation and Renovation Program as follows:
 - FY 2013-14 from June 30, 2017 to June 30, 2018 - \$955,790;
- E. APPROVING the FY18 Transfers to Other Operators payment rate of \$1.10 per boarding to LACMTA and an EZ Pass reimbursement cap to LACMTA of \$5,592,000; and
- F. AUTHORIZING the Chief Executive Officer to negotiate and

execute all necessary agreements between LACMTA and the SCRRRA for the approved funding.

Attachments: [Attachment A - SCRRRA FY 2017 Revised Budget Transmittal](#)
[MetrolinkBoard Staff Briefing Presentation June 08 2017](#)

FINANCE, BUDGET AND AUDIT COMMITTEE RECOMMENDED APPROVAL (4-0):

15. SUBJECT: FY18 AUDIT PLAN [2017-0370](#)

ADOPT the FY18 Proposed Audit Plan.

Attachments: [Attachment A - FY18 Annual Audit Plan](#)

PLANNING AND PROGRAMMING COMMITTEE RECOMMENDED APPROVAL (3-0):

17. SUBJECT: COUNTYWIDE CALL FOR PROJECTS [2017-0289](#)
RECERTIFICATION AND DEOBLIGATION

CONSIDER:

- A. RECERTIFYING \$133.2 million in existing Fiscal Year (FY) 2017-18 commitments from previously-approved Countywide Calls for Projects (Call) and AUTHORIZING the expenditure of funds to meet these commitments as shown in Attachment A;
- B. DEOBLIGATING \$18.8 million of previously approved Call funding, as shown in Attachment B, and REPROGRAMMING these dollars to the same modal category from which they came in the 2015 Call;
- C. PROGRAMMING:
 - 1. funds made available from the 2013, 2014 and 2015 Deobligation to the three previously-approved County of Los Angeles Signal Call projects; and
 - 2. funds released from City of Los Angeles per the November 2007 Board direction on the Proposition 1B funding to the three previously-approved Signal Call projects;
- D. AUTHORIZING the CEO to:
 - 1. negotiate and execute all necessary agreements for approved projects; and
 - 2. amend the FY 2017-18 budget, as necessary, to include the 2017 Countywide Call Recertification and Extension funding in the Regional Programs' budget;
- E. APPROVING changes to the scope of work for:

1. City of Los Angeles - Boyle Heights Chavez Avenue Streetscape/Pedestrian Improvement (#F3643);
 2. City of Long Beach - Daisy Corridor and 6th Street Bike Boulevard (#F3518)
 3. City of South Gate - Firestone Boulevard Capacity Improvements (#F3124);
 4. City of West Hollywood - Melrose Avenue Complete Street Project (#F9601);
- F. REALLOCATING funds originally programmed to the City of Glendale Train Station 1st/Last Mile Regional Improvements Project (#F9624) to the Glendale CNG Fueling and Maintenance Facility Project (#F3432); and
- G. RECEIVING AND FILING:
1. time extensions for the 55 projects shown in Attachment D; and
 2. reprogram for the 24 projects shown in Attachment E.

Attachments: [Attachment A - FY 2017-18 Countywide Call Recertification](#)
 [Attachment B - FY 2016-17 Countywide Call Deobligation](#)
 [Attachment C - Background Discussion of Each Recommendation](#)
 [Attachment D - FY 2016-17 Countywide Call Extensions](#)
 [Attachment E - FY 2017-18 Countywide Reprogramming](#)
 [Attachment F - Result of TAC Appeals Process](#)

PLANNING AND PROGRAMMING COMMITTEE RECOMMENDED APPROVAL (4-0):

18. **SUBJECT: ROSECRANS/MARQUARDT GRADE SEPARATION PROJECT** [2017-0390](#)

APPROVE an amendment to increase the Fiscal Year (FY) 2017 budget in the amount of \$4,300,000 out of Measure R 20% funds for the Rosecrans/Marquardt Grade Separation Project.

PLANNING AND PROGRAMMING COMMITTEE RECOMMENDED APPROVAL (4-0):

19. **SUBJECT: RAIL TO RAIL ACTIVE TRANSPORTATION CORRIDOR SEGMENT A** [2017-0383](#)

CONSIDER:

- A. AUTHORIZING the use of Design-Build project delivery method for the Rail to Rail Active Transportation Corridor (ATC) - Segment A (the "Project"), pursuant to Public Utilities Code Section 130242 (a); and

(REQUIRES 2/3 VOTE OF THE BOARD)

- B. APPROVING a Preliminary Project Funding Plan, which includes additional funding up to \$20 million to be secured from local funds to meet project requirements.

CONSTRUCTION COMMITTEE RECOMMENDED APPROVAL (4-0):

**20. SUBJECT: WESTSIDE PURPLE LINE EXTENSION PROJECT -
SECTION 3**

[2017-0311](#)

AUTHORIZE the CEO to execute Contract Modification No. 62 to Contract No. PS43502000 with WSP USA Inc. (WSP), formerly Parsons Brinckerhoff (PB) Inc., to provide continued engineering support services during solicitation processes and design support services during construction for Section 3 of the Westside Purple Line Extension Project, from July 2017 through June 2019, in an amount not-to-exceed \$15,028,122, increasing the total contract value from \$199,649,637 to \$214,677,759.

Attachments: [Attachment A - Procurement Summary.pdf](#)
 [Attachment B - Contract Modification -Change Order Log.pdf](#)
 [Attachment C - DEOD Summary.pdf](#)

CONSTRUCTION COMMITTEE RECOMMENDED APPROVAL (3-0):

**21. SUBJECT: WESTSIDE PURPLE LINE EXTENSION PROJECT -
SECTION 3**

[2017-0317](#)

AUTHORIZE the Chief Executive Officer (CEO) to enter into a stipend agreement with each of the unsuccessful responsive proposers for **Section 3 of the Westside Purple Line Extension Project for the Stations Trackwork and Systems** design build contract, in an amount of \$1,250,000, to be paid to the unsuccessful responsive and responsible proposers.

CONSTRUCTION COMMITTEE RECOMMENDED APPROVAL (4-0):

- 22. SUBJECT: GOLD LINE FOOTHILL EXTENSION PHASE 2A** [2017-0343](#)
REDUCTION IN LIFE OF PROJECT BUDGET

CONSIDER:

- A. APPROVING a Life-of-Project (LOP) budget decrease in the amount of \$26,967,000 for the Gold Line Foothill Extension Phase 2A Project and update the LOP to \$714,033,000; and
- B. AUTHORIZE allocation of \$26,967,000 of available non-federal funds from Gold Line Foothill Extension Phase 2A to Gold Line Foothill Extension Phase 2B

Attachments: [Foothill Attachment A Cash Flow for Decrease LOP 051017](#)

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE RECOMMENDED APPROVAL (3-0):

- 24. SUBJECT: MEMBERSHIP ON METRO SERVICE COUNCILS** [2017-0036](#)

APPROVE nominees for membership on Metro's Service Council as listed in the board report.

Attachments: [Attachment A - Listing of Qualifications 6-22-2017](#)

[Attachment B - Nomination Letters 6-2017](#)

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE RECOMMENDED APPROVAL (4-0)

27. SUBJECT: AUTOMATED PUBLIC TOILETS MAINTENANCE SERVICES [2017-0282](#)

AUTHORIZE the Chief Executive Officer to award a sole source firm fixed price Contract No. OP783190003367 for Automated Public Toilets Maintenance Services with Public Facilities and Services, Inc. This contract not-to-exceed amount is \$1,061,530 for the five year base period, effective July 15, 2017.

Attachments: [Attachment A - Procurement Summary](#)

Attachment B - DEOD Summary

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE RECOMMENDED
APPROVAL (4-0)**

28. SUBJECT: TUNNEL WASHING SERVICES

[2017-0283](#)

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP778590003367 for the Metro Red/Purple Line (MRL) and Pasadena Gold Line (PGL) Tunnel Washing services with Parkwood Landscape Maintenance Inc., the lowest, responsive and responsible bidder, for a not-to-exceed amount of \$2,598,727 for the five-year contract, effective July 1, 2017; subject to resolution of protest(s), if any.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - DEOD Summary](#)

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE RECOMMENDED
APPROVAL (4-0)**

29. SUBJECT: P2550 LIGHT RAIL VEHICLE COMPONENT OVERHAUL

[2016-0741](#)

CONSIDER:

- A. ESTABLISHING a Life-Of-Project (LOP) Budget for the implementation of a Component Overhaul Program for the P2550 Light Rail Vehicle (LRV) fleet, capital project number 214001 in the amount of \$35,007,546; and
- B. AUTHORIZING the Chief Executive Officer to award a 60 month indefinite quantity/indefinite delivery Contract No. MA27585 to ORX for the overhaul of 103 Ansaldo Breda P2550 light rail vehicle powered axle assemblies for a not-to-exceed amount of \$4,952,654, subject to resolution of protest(s), if any.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - DEOD Summary](#)
 [Attachment C - LOP Budget](#)

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE RECOMMENDED
APPROVAL (4-0)**

30. SUBJECT: CONTRACTED BUS SERVICE - SOUTH REGION

[2017-0322](#)

AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed unit price Contract No. OP38384000 to MV Transportation, Inc. (MV) for contracted bus services in the South Region in an amount not-to-exceed \$127,280,617, effective July 1, 2017, subject to resolution of protest(s), if

any.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - Metro South Region Contract Service Bus Lines](#)
 [Attachment C - DEOD Summary](#)

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE RECOMMENDED
APPROVAL (4-0)**

31. SUBJECT: CONTRACTED BUS SERVICE - EAST REGION [2017-0299](#)

AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed unit price Contract No. OP38382000 to Southland Transit, Inc. for contracted bus services in the East Region in an amount not-to-exceed \$65,245,597 effective July 1, 2017, subject to resolution of protest(s), if any.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - East Region Service Map](#)
 [Attachment C - DEOD Summary](#)

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE RECOMMENDED
APPROVAL (4-0)**

**32. SUBJECT: GLENDALE BEELINE ROUTE 3 / LADOT DASH 601,
 DASH 602 AND COMMUTER EXPRESS 422, AND
 PVPTA LINE 225/226 TRANSIT SERVICE OPERATION
 AGREEMENTS** [2017-0300](#)

CONSIDER:

- A. EXTENDING the Transit Service Operation Agreement between LACMTA and the City of Glendale for the Glendale Beeline Route 3 for an additional two years inclusive of \$1,091,577;
- B. EXTENDING the Transit Service Operation Agreement between LACMTA and the City of Los Angeles Department of Transportation (LADOT) for Dash 601, Dash 602, and Commuter Express 422 for an additional two years inclusive of \$8,900,520;
- C. EXTENDING the Transit Service Operation Agreement between LACMTA and the Palos Verdes Peninsula Transportation Authority (PVPTA) for operation of the Line

225/226 for two years inclusive of \$485,705;

- D. AUTHORIZING the Chief Executive Officer, or their designee, to negotiate and execute all necessary agreements between LACMTA and the City of Glendale for funding approval;
- E. AUTHORIZING the Chief Executive Officer, or their designee, to negotiate and execute all necessary agreements between LACMTA and the LADOT; and
- F. AUTHORIZING the Chief Executive Officer, or their designee, to negotiate and execute all necessary agreements between LACMTA and the PVPTA for funding approval.

Attachments: [Attachment A - Glendale Service Area](#)
 [Attachment B - LADOT Service Area](#)
 [Attachment C - PVPTA Service Area](#)

EXECUTIVE MANAGEMENT COMMITTEE RECOMMENDED APPROVAL (4-0):

36. SUBJECT: 1ST AND LORENA JOINT DEVELOPMENT

[2017-0301](#)

AUTHORIZE the Chief Executive Officer to execute an amendment to the Exclusive Negotiations and Planning Agreement with A Community of Friends to extend its term for an additional 24 months, for the joint development of Metro-owned property at 1st and Lorena Street along the Metro Gold Line Eastside Extension.

Attachments: [Attachment A - Site Map](#)
 [Attachment B - Director's Determination](#)
 [Attachment C - Project Scope](#)

CONSTRUCTION COMMITTEE RECOMMENDED APPROVAL (4-0):

39. SUBJECT: FOOTHILL GOLD LINE EXTENSION PHASE 2B

[2017-0338](#)

CONSIDER:

- A. APPROVING a Life of Project Budget for the Foothill Gold Line Extension Phase 2B Light Rail Project in the amount of \$1,406,870,758.
- B. AUTHORIZING the Chief Executive Officer to enter into a Project Funding Agreement (Attachment A) with the Foothill Gold Line Extension Construction Authority including provisions to apply for \$249.2 million in Transit and Intercity Rail Capital Program funds as

a Metro priority.

- C. AUTHORIZING the Chief Executive Officer to enter into a Master Cooperative Agreement (Attachment B) with the Gold Line Foothill Extension Construction Authority.

Attachments: [ATTACHMENT A Foothill Phase 2B Final draft Funding Agreement](#)
[ATTACHMENT B Phase 2B Master Cooperative Agreement](#)
[ATTACHMENT C Measure R Cost Management Process and Policy Analysis C](#)
[ATTACHMENT D Expenditure Plan - Cash Flow Budget.](#)

CONSTRUCTION COMMITTEE RECOMMENDED APPROVAL (3-0):

40. **SUBJECT: SUPPLEMENTAL ENGINEERING SERVICES (SES) [2017-0262](#)**
 CONSULTANT SERVICE CONTRACT

AUTHORIZE the Chief Executive Officer to EXECUTE:

- A. a three-year cost plus fixed fee type contract for AE36687 with Mott MacDonald Group for Supplemental Engineering Services for Engineering Design of Rail and Highway Transportation Projects on a task order basis, plus two one-year options. The amount for the three years base contract is \$15,000,000 and the amount for the two one-year options is \$5,000,000 for a total contract value not to exceed \$20,000,000; subject to resolution of protest(s), if any; and
- B. individual Task Orders and changes within the Board approved contract amount.

Attachments: [Attachment A-Procurement Summary](#)
 [Attachment B-DEOD Summary](#)

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE RECOMMENDED APPROVAL (4-0):

42. **SUBJECT: 295 FORTY FOOT CNG TRANSIT BUS CONTRACT [2016-0988](#)**

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to award a firm fixed-price contract, Contract No. OP28367-000 - Part A, to El Dorado National-California, Inc. (ENC) of Riverside, CA, for the manufacture and delivery of 295 40' CNG transit buses, in the amount of \$199,067,748 for the base contract, including taxes and delivery; exclusive of contract options, subject to resolution of any

properly submitted protest.

- B. AUTHORIZING the CEO to award an additional not-to-exceed amount of \$4,500,000 for Optional Vehicle Features, Spare Parts, and Training Aids for a total combined contract amount not-to-exceed \$203,567,748.
- C. ESTABLISHING a life-of-project budget of \$207,567,748, for the 295 40' CNG buses under project no. CP 201057.
- D. FINDING that the award to ENC, Inc. is made to the Proposer that provides the agency with the best value and is most advantageous to Metro. The recommended price addresses all contract requirements and represents the best overall value when all RFP evaluation factors are considered, including advantages in the Local Employment Program incentives.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - DEOD Summary](#)
 [Attachment C - Funding Expenditure Plan](#)

EXECUTIVE MANAGEMENT COMMITTEE RECOMMENDED APPROVAL (4-0):

**44. SUBJECT: MEASURE M INDEPENDENT TAXPAYER OVERSIGHT
 COMMITTEE SELECTIONS**

[2017-0426](#)

APPROVE:

- A. Emilie Elias, the recommended nominee for Retired Federal or State judge;
- B. Carlos Bohorquez, the recommended nominee for Professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience;
- C. Ryan Campbell, the recommended nominee for Professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews;
- D. Scott Hood, the recommended nominee for Professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews;
- E. Kyungwoo Kris Kim, the recommended nominee for Professional

with demonstrated experience of ten (10) years or more in the management of large-scale construction projects;

- F. Virginia Tanzmann, the recommended nominee for Licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience; and
- G. Linda Briskman, the recommended nominee for Regional association of business representative with at least ten (10) years of senior-level decision making experience in the private sector.

Attachments: [Attachment A - Committee Requirements](#)
 [Attachment B - Selection Panel Guideline](#)
 [Attachment C - Communication Plan](#)

EXECUTIVE MANAGEMENT COMMITTEE RECOMMENDED APPROVAL (4-0):

45. SUBJECT: STATE LEGISLATION

[2017-0432](#)

ADOPT staff recommended position:

- A. **TBD** - California Global Warming Solutions Act of 2006:
Market-Based Compliance Mechanisms **SUPPORT**

Attachments: [Attachment A - Cap and Trade Advocacy Principles](#)

NON-CONSENT

3. Report by the Chair.

[2017-0409](#)

4. Report by the Chief Executive Officer.

[2017-0410](#)

5. ELECTION of 2nd Vice Chair.

[2017-0388](#)

FINANCE, BUDGET AND AUDIT COMMITTEE RECOMMENDED APPROVAL (4-0) AS AMENDED:

**9. SUBJECT: LOCAL RETURN PROPOSITION A AND PROPOSITION C
 CAPITAL RESERVE**

[2017-0284](#)

AUTHORIZE the Chief Executive Officer to negotiate and execute all

necessary agreements between Los Angeles County Metropolitan Transportation Authority (LACMTA) and the Cities for their Capital Reserve Accounts as approved; and:

- A. ESTABLISH Proposition A and Proposition C Local Return funded Capital Reserve Account for the Cities of Bell, Duarte and South El Monte, as described in Attachment A; and
- B. APPROVE ~~three~~ four-year extension of Proposition A and Proposition C Local Return Capital Reserve Account for the Cities of Arcadia and Lynwood, as described in Attachment A.

Attachments: [ATTACHMENT A 2017](#)

PLANNING AND PROGRAMMING COMMITTEE FORWARDED DUE TO ABSENCES AND CONFLICTS:

16. **SUBJECT: WEST SANTA ANA BRANCH TRANSIT CORRIDOR** [2017-0281](#)
 TRANSIT ORIENTED DEVELOPMENT STRATEGIC
 IMPLEMENTATION PLAN

AWARD AND EXECUTE an 18-month firm fixed price Contract No. PS36724000 to City Design Studio LLC, in the amount of \$1,632,788, to complete the Transit Oriented Development (TOD) Strategic Implementation Plan for the West Santa Ana Branch (WSAB) Transit Corridor, subject to resolution of protest(s), if any.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - DEOD Summary](#)
 [Attachment C - WSAB Transit Corridor Project Map](#)

EXECUTIVE MANAGEMENT COMMITTEE FORWARDED DUE TO ABSENCES AND CONFLICTS:

35. **SUBJECT: LEASE OF METRO PROPERTY FOR CROSSROADS** [2017-0147](#)
 SCHOOL FOR ARTS & SCIENCES

AUTHORIZE the Chief Executive Officer (CEO) to execute a seven (7) -year lease agreement ("Lease Agreement") with The Crossroads School for Arts & Sciences, ("Crossroads") to continue leasing Metro-owned property located adjacent to the Expo Light Rail Line, near 17th Street and Colorado Avenue, in Santa Monica ("Premises"). Anticipated total rent income over the 7-year lease term is \$1,974,000.

Attachments: [Attachment A - Summary of Lease Key Terms](#)
 [Attachment B - Site Drawing of Leased Premises](#)

**PLANNING AND PROGRAMMING COMMITTEE RECOMMENDED APPROVAL AS
AMENDED (4-0) AND CONSTRUCTION COMMITTEE RECOMMENDED APPROVAL (4-0):**

38. SUBJECT: MEASURE M MASTER GUIDELINES

[2017-0280](#)

CONSIDER:

- A. RECEIVE AND FILE report from the Policy Advisory Council (PAC) on the Draft Measure M Master Guidelines (Attachment A);
- B. ADOPT the Measure M Master Guidelines; and
- C. AUTHORIZE the Chief Executive Officer to enter into Memorandums of Understanding (MOUs) and Assurances and Understandings with Included and Eligible Municipal Operators, Metrolink, Access Services and Los Angeles County jurisdictions for Measure M funding allocations and distribution, consistent with applicable Measure M Guideline provisions.

Amendment by Solis to remove the following text under “3% Local Contribution to Major Transit Projects” (page 4, bullet 4 of the report):
“...this may include assignment of this obligation to the Supervisorial District in which the project is located.”

Attachments: [Attachment A- Final PAC comments on Revised M Guidelines](#)
 [Attachment B - Measure M Guidelines 6.20](#)
 [Attachment C - Public Comments Summary](#)
 [Attachment D - Administrative Guideline Development Timeline.rev](#)
 [Attachment E Draft Measure M Guidelines 6 20 17 5pm](#)

PLANNING AND PROGRAMMING COMMITTEE RECOMMENDED APPROVAL (4-0):

**38.1 SUBJECT: MOTION BY HAHN, BUTTS AND GARCIA REGARDING
MEASURE M REVISED LOCAL RETURN GUIDELINES**

[2017-0443](#)

WE THEREFORE MOVE that this Board direct the CEO to include the following recommendations to the development of Administrative Guidelines for the Sub-region, Multi-Year Sub Region, and/or Sub-regional Equity funds, as recommended in the revised final Measure M Guidelines, to ensure a potential avenue and a mechanism that small cities are enabled to augment local return at the discretion of each sub-region:

-
- A. CREATE an additional Sub-Regional local return as a program as part of annual sub-region planning;
 - B. PROVIDE an administrative and financial process where smaller cities can bring their “need based” projects annually; and
 - C. ELIMINATE the language of “1 mile restriction” from the Highway Operational Improvement Sub-funds from the Final Measure M Guidelines.

FURTHER direct the CEO to report back December 2017 Metro Board cycle in accordance with the Guidelines’ Administrative Development Timeline.

PLANNING AND PROGRAMMING COMMITTEE RECOMMENDED APPROVAL (4-0):

**38.2 SUBJECT: MOTION BY DIRECTORS GARCETTI AND BUTTS
REGARDING MEASURE M MASTER GUIDELINES
- VISIONARY PROJECTS**

[2017-0453](#)

WE MOVE that the MTA Board direct the CEO to:

- A. Allow private organizations to be eligible for Visionary Project Seed funding for predevelopment purposes. An MTA policy shall be established to oversee the use of these funds.
- B. To maximize pioneering transportation solutions, include under the “Eligible Projects” section, the following criteria:
 - 1. Connectivity to major trip generators
 - 2. Use new and innovative technology solutions, beyond transit solutions.
 - 3. Provides innovation and reduces project costs compared to conventional delivery methods.
- C. Allow the use of unsolicited proposals using MTA existing policies.
- D. The criteria and selection process shall be developed and adopted within 6 months.

**38.3 SUBJECT: MOTION BY GARCIA, BONIN, SOLIS AND HAHN
REGARDING MEASURE M MASTER GUIDELINES
HIGHWAY
SUBFUNDS**

[2017-0459](#)

WE THEREFORE MOVE that the Measure M Guidelines' definitions of "Operational Improvements" for Highway Subfund Projects be amended to include Active Transportation, Complete Streets, and Innovative Mobility Transportation projects as an eligible expenditure of these funds, and replacing references to "Level of Service" with "Vehicle Miles Traveled," per State CEQA guidance, so that these funds may be spent on operational improvements for movement of people traveling on foot, by bike, or by transit, in addition to automobile travel, in order to optimize the movement of people by all modes, not just vehicular travel.

**38.4 SUBJECT: MOTION BY GARCIA, BUTTS AND HAHN REGARDING
MEASURE M MASTER GUIDELINES - 3% LOCAL
CONTRIBUTION FOR TRANSIT SYSTEM
CONNECTIVITY PROJECTS**

[2017-0460](#)

WE THEREFORE MOVE that, during its continued development of Measure M Master Guidelines noted in the guidelines' Attachment D, Metro develop further options for the identification and utilization of funding sources, separate from Local Return, that could be available to any local jurisdictions to partially or fully fund the 3% local match for those major transit projects designated for system connectivity purposes.

**EXECUTIVE MANAGEMENT COMMITTEE RECOMMENDED APPROVAL (3-0) AS
AMENDED:**

43. SUBJECT: BOARD RULES AND PROCEDURES

[2017-0424](#)

AMEND Section 6.6 (Board Travel Expenses), Board Rules and Procedures of the Los Angeles County Metropolitan Transportation Authority ("Metro"), as set forth in Attachment A.

Attachments: [ATTACHMENT A - Board Rules and Procedures](#)

**43.1 SUBJECT: AMENDMENT BY FASANA AND KUEHL REGARDING
BOARD RULES AND PROCEDURES**

[2017-0455](#)

WE THEREFORE MOVE that the Board AMEND Section 6.6 (Board Travel Expense) of the Board Rules and Procedures to include the following text:

Metro will reimburse the travel expenses, in conformance with Metro Travel and Business Expense Policy (Policy #FIN14), for Board deputies' travel to Washington D.C. and Sacramento for Metro legislative purposes when accompanying the Director to whom the deputy reports or when

acting on that Director's behalf. Exception to this Travel Policy may be made only with the approval of the Chairman of the Board.

48. SUBJECT: PROGRAM MANAGEMENT SUPPORT SERVICES

[2017-0419](#)

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to award a five-year cost reimbursable fixed fee contract plus a two-year option, Contract No. AE35279, to Kal Krishnan Consulting Services/Triunity Engineering & Management Joint Venture (KKCS/Triunity JV), the most qualified proposer, for Program Management Support Services (PMSS) for a not-to-exceed amount \$24,970,960 through Fiscal Year 2019; and
- B. AUTHORIZING the Chief Executive Officer to execute individual Contract Work Orders and Contract Modifications within the Board approved contract funding amount.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - DEOD Summary](#)
 [Attachment C - Anticipated List of Projects](#)

(CARRIED OVER FROM MAY BOARD DUE TO ABSENCES AND CONFLICTS)

APRIL AD HOC CONGESTION, HIGHWAY AND ROADS COMMITTEE RECOMMENDED APPROVAL (3-0-2):

49. SUBJECT: HIGHWAY PROGRAM PROJECT DELIVERY SUPPORT SERVICES FOR LOS ANGELES COUNTY

[2017-0096](#)

AUTHORIZE the Chief Executive Officer to:

- A. AWARD three, three-year on-call contracts, Contract Nos. AE30673000, AE30673001, and AE30673002, to AECOM Technical Services, Inc., CH2M Hill, Inc., and Parsons Transportation Group, Inc., respectively, for a total not-to-exceed amount of \$30,000,000, for **Highway Program Project Delivery Support Services for Los Angeles County**, subject to resolution of protest(s), if any; and
- B. AWARD Task Orders within the approved not to exceed cumulative value of \$30,000,000.

Attachments: [ATTACHMENT A - PROCUREMENT SUMMARY](#)
 [ATTACHMENT B - DEOD SUMMARY](#)

(CARRIED OVER FROM MAY BOARD DUE TO ABSENCES AND CONFLICTS)

50. **SUBJECT: CONSULTANT BENCH FOR RAIL VEHICLE & SYSTEMS
ENGINEERING SUPPORT**

[2016-1004](#)

AUTHORIZE the Chief Executive Officer to:

- A. AWARD Bench Contract No.PS37755 to consultant firms CH2M Hill, Inc., LTK Engineering Services, Mott McDonald, LLC, WSP/Parsons Brinkerhoff, and STV Inc., to establish a general account for consultant support services that will be utilized for **Rail Vehicle and Rail Systems Engineering Consultant Services**, for an amount not-to-exceed \$8,027,100, subject to resolution of protest, if any; and
- B. EXECUTE Task Work Orders within the approved total not-to-exceed amount of the Contract.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - DEOD Summary](#)

(CARRIED OVER FROM MAY BOARD DUE TO ABSENCES AND CONFLICTS)

51. **SUBJECT: METRO BLUE LINE SIGNALING REHABILITATION AND
OPERATIONAL IMPROVEMENTS PROJECT**

[2017-0132](#)

AUTHORIZE the CEO to award Contract No. C1081 to Mass Electric Construction Co/Parsons, the selected best value contractor to design and construct the **Blue Line State of Good Repair signaling rehabilitation and operational improvements** for a contract value of \$81,513,000.

Attachments: [Attachment A - Sources and Uses Table](#)
 [Attachment B - Procurement Summary 0132](#)
 [Attachment C-DEOD Summary](#)

(CARRIED OVER FROM MAY BOARD DUE TO ABSENCES AND CONFLICTS)

52. **SUBJECT: ORAL UPDATE ON STATE LEGISLATION
SENATE BILL 268 (MENDOZA)**

[2017-0456](#)

RECEIVE oral report on State Legislation Senate Bill 268.

END OF NON-CONSENT ITEMS

53. CLOSED SESSION:

[2017-0457](#)

A. Public Employee Discipline/Dismissal/Release

B. Public Employment: Ethics Officer

C. Conference with Legal Counsel - Anticipated Litigation - G.C.
54956.9(d)(4)

Initiation of Litigation (One Case)

D. Conference with Labor Negotiator - G.C. 54957.6

Agency Designated Representative: Joanne Peterson or designee
Employee Organizations: SMART, ATU, TCU, AFSCME and
Teamsters

E. Conference with Real Property Negotiator - G.C. 54956.8

1. Property Description: 1940 Century Park East, Los Angeles,
CA
Agency Negotiator: Carol A. Chiodo
Negotiating Party: Vinci Academy L.L.C. (Tenant)
Under Negotiation: Price and Terms
2. Property Description: 13720 Rosecrans Ave., Santa Fe
Springs
Agency Negotiator: Carol A. Chiodo
Negotiating Party: D. P. Milroy, LLC
Under Negotiation: Price and Terms
3. Property Description: 13750 Rosecrans Ave., Santa Fe
Springs
Agency Negotiator: Carol A. Chiodo
Negotiating Party: Miriam Arato, As Trustee of The Arato
Family Trust Utd. May 16, 1986
Under Negotiation: Price and Terms
4. Property Description: 590 Santa Fe Avenue, Los Angeles,
CA
Agency Negotiator: Velma C. Marshall
Negotiating Party: Bennett Greenwald

Under Negotiation: Price and Terms

5. Property Description: 6141 Century Boulevard, Los Angeles, CA
Agency Negotiator: Velma C. Marshall
Negotiating Party: Debbie Bowers, Los Angeles World Airport
Under Negotiation: Price and Terms
6. Property Description: 432 E. Temple, Los Angeles, CA
Agency Negotiator: Carol A. Chiodo
Negotiating Party: Richard Harasick and Reynan Ledesma, DWP
Under Negotiation: Price and Terms
7. Property Description: 14 No. La Cienega, Beverly Hills, CA
Agency Negotiator: Carol A. Chiodo
Negotiating Party: Adolfo Suraya
Under Negotiation: Price and Terms

Consideration of items not on the posted agenda, including: items to be presented and (if requested) referred to staff; items to be placed on the agenda for action at a future meeting of the Committee or Board; and/or items requiring immediate action because of an emergency situation or where the need to take immediate action came to the attention of the Committee subsequent to the posting of the agenda.

COMMENTS FROM THE PUBLIC ON ITEMS OF PUBLIC INTEREST WITHIN
COMMITTEE'S SUBJECT MATTER JURISDICTION

Adjournment



Metro

Board Report

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2017-0411, **File Type:** Minutes

Agenda Number: 2.

REGULAR BOARD MEETING JUNE 22, 2017

APPROVE Minutes of the Regular Board Meeting held May 25, 2017.

*Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
3rd Floor Board Room*

MINUTES
Board of Directors - Regular Board Meeting



Thursday, May 25, 2017

9:00 AM

**One Gateway Plaza, Los Angeles, CA 90012,
3rd Floor, Metro Board Room**

Directors Present:

*John Fasana, Chair
Eric Garcetti, 1st Vice Chair
Sheila Kuehl, 2nd Vice Chair
Kathryn Barger
Mike Bonin
James Butts
Jacquelyn Dupont-Walker
Robert Garcia
Janice Hahn
Paul Krekorian
Ara Najarian
Hilda Solis
Carrie Bowen, non-voting member*

Phillip A. Washington, Chief Executive Officer

ROLL CALL

APPROVED Consent Calendar Items: 2, 5, 6, 7, 9, 10, 11, 13**, 16, 21, 22, 24, 25, 30, 32, 33, 35, 36, 37 and 38.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	Y	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y

Consent Calendar items were approved by one motion except items 9, 11, 24, 35 and 38 which were held by a Director for discussion and/or separate action.

**Required 2/3 vote of the Board

- 2 APPROVED ON CONSENT CALENDAR Minutes of the Regular Board Meeting held April 27, 2017. **2017-0293**
- 3 Report by the Chair – NONE. **2017-0377**
- 4 Report by the Chief Executive Officer – NONE. **2017-0378**
- 5 AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer (CEO) to execute a three (3) year agreement for FY18, FY19 & FY20 with the California Highway Patrol (CHP) to provide services in support of the Metro Freeway Service Patrol (FSP) program, in the amount of \$4,755,495. **2017-0243**
- 6 AUTHORIZED ON CONSENT CALENDAR Contract Modification No. 42 (CCO 42) by State of California Department of Transportation (Caltrans) for the construction contract of the Segment 5 of I-5 South Capacity Improvements Project from Orange County Line to I-605 under the Funding Agreement No. MOU.P0004292A-3, in the total amount of \$1,700,000 within the LOP budget. **2017-0151**

JH = J. Hahn	KB = K. Barger	SK = S. Kuehl	RG = R. Garcia
PK = P. Krekorian	MRT = M. Ridley-Thomas	JB = J. Butts	
JDW = J. Dupont-Walker	JF = J. Fasana	HS = H. Solis	
MB = M. Bonin	EG = E. Garcetti	AN = A. Najarian	

LEGEND: Y = YES, N = NO, C = HARD CONFLICT, S = SOFT CONFLICT, ABS = ABSTAIN, A = ABSENT, P = PRESENT

- 7 AUTHORIZED ON CONSENT CALENDAR Contract Modification No. 115 (CCO 115) by **State of California Department of Transportation (Caltrans)** for the construction contract of the **Segment 4 of I-5 South Capacity Improvements Project from Orange County Line to I-605** under the Funding Agreement No. MOU.P0004292A-3, in the total amount of \$577,500 within the LOP budget.

2017-0229

- 9 AUTHORIZED:

2017-0068

- A. the Chief Executive Officer to execute a five-year, fixed unit rate Contract No. PS27736000 to **Bank of America for basic and specialized banking services**, in an amount-not-to-exceed \$2,328,909, effective July 1, 2017, subject to resolution of protest(s), if any; and
- B. the payment of up to \$320,000 over the next five years for **Federal Deposit Insurance Corporation (FDIC) assessment fees as mandated by 12 C.F.R. § 327.9 to cover insurance premiums for Metro's deposits**. This is an estimate based on historical experience. If FDIC increases the rate and the actual amount exceeds the estimate, staff will seek approval for a Contract modification. The combined total cost of the Contract is a not-to-exceed \$2,648,909 over its entire life-cycle.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB*	HS	AN	RG
Y	Y	Y	C	Y	A	Y	C	C	Y	C	Y	C

*Selected to vote under Rule of Necessity

- 10 AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to: 2017-0252

- A. AWARD five-year fixed rate bench Contract Nos. PS36627000 through PS36627018, with the firms listed in Attachment A, for **Management Audit Services**, for a not-to-exceed amount of \$6,864,000 for the base three-years, effective July 1, 2017 through June 30, 2020, plus \$2,288,000 for each of the two, one-year options, for a combined total amount not to exceed \$11,440,000, subject to resolution of protest(s), if any; and
- B. EXECUTE Task Orders under these Contracts for audit services in a total amount not-to-exceed \$11,440,000.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
								C				

- A. a new low income fare subsidy program to replace the Rider Relief Transportation Program (RRTP) and Immediate Needs Transportation Program (INTP), with an estimated year one budget of \$14 million, and;
- B. the Title VI Analysis for the new program.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	Y	Y	Y	Y	A	Y	Y	Y	A	Y	Y	A

- 13 APPROVED ON CONSENT CALENDAR by 2/3 vote finding that use of the **design-build project delivery approach for Metro Emergency Security Operation Center Project** pursuant to Public Contract Code §§22160-22169 to reduce project costs, expedite project completion and allow for negotiation and award of a design-build contract to a responsible proposer whose proposal is determined to be the best-value to Metro. 2017-0173
- 14 CARRIED OVER DUE TO ABSENCES AND CONFLICTS: 2017-0188
- A. AUTHORIZING the Chief Executive Officer to award a cost reimbursable fixed fee contract, Contract No. AE35279, to **Kal Krishnan Consulting Services/Triunity Engineering & Management Joint Venture (KKCS/Triunity JV), the most qualified proposer, for Program Management Support Services (PMSS)** for a not-to-exceed amount of \$76,745,629.86 for the base five-years, plus \$32,436,264.59 for a two-year option, for a combined total amount not to exceed \$109,181,894.45, subject to resolution of protest(s), if any;
- B. AUTHORIZING the Chief Executive Officer to execute individual Contract Work Orders and Contract Modifications within the Board approved contract funding amount;
- C. APPROVING Contract Modification Authority specific to Contract No. AE35279 for 10% of the not-to-exceed award value.
- 16 APPROVED ON CONSENT CALENDAR a **phased approach to art asset management in response to October 2015 Board Motion** (Attachment A). 2017-0013

- 20 CARRIED OVER DUE TO ABSENCES AND CONFLICTS AUTHORIZING the Chief Executive Officer to: **2016-1004**

- A. AWARD Bench Contract No.PS37755 to consultant firms CH2M Hill, Inc., LTK Engineering Services, Mott McDonald, LLC, WSP/Parsons Brinkerhoff, and STV Inc., to establish a general account for consultant support services that will be utilized for **Rail Vehicle and Rail Systems Engineering Consultant Services**, for an amount not-to-exceed \$8,027,100, subject to resolution of protest, if any; and
- B. EXECUTE Task Work Orders within the approved total not-to-exceed amount of the Contract.

- 21 APPROVED ON CONSENT CALENDAR amending the existing repayment schedule agreement between the County of Los Angeles (County) and the Los Angeles County Metropolitan Transportation Authority (LACMTA) for the State Route 126/Commerce Center Drive Interchange Improvement Project STP-L fund exchange. **2017-0245**

- 22 AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to execute a **five-year lease agreement (Lease Agreement)** for the property located at 203 E. College Street, Los Angeles (Property, APN# 5409-014-906) with California Drop Forge, Inc. (Lessee) in the amount of \$7,890.84 monthly with an annual increase of four percent. **2017-0260**

- 24 ADOPTED staff recommended positions: **2017-0302**

- A. **SB 268 (Mendoza)** - Los Angeles County Metropolitan Transportation Authority **OPPOSE**

DIRECTED staff to seek the opinion of County Counsel regarding disenfranchisement issue.

- D. **AB 1479 (Bonta)** - Public Records: Custodian of Records: Civil Penalties **OPPOSE**

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	Y	Y	Y	Y	A	Y	Y	Y	A	Y	Y	A

- A. the Chief Executive Officer to execute Modification No. 2 to the **Labor Compliance Bench (the Bench) Contracts Numbers PS-21307700 A-J, for labor compliance monitoring services**, to exercise the second and third year options, extending the contract term from July 1, 2017 to June 30, 2019, increasing the total authorized not-to-exceed amount by \$4,000,000 (\$2,000,000 for each option year) from \$15,056,648 to \$19,056,648; and
- B. the Chief Executive Officer to award and execute task orders for a not-to-exceed total authorized amount of \$19,056,648.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
S				C							C	C

26 AUTHORIZED:

2017-0141

- A. implementation of the **Parking Management Pilot Program at the Metro Gold Line Monrovia Station with a public shared parking program during non-peak transit hours**;
- B. implementation of the **Parking Management Pilot Program at the Metro Green Line Crenshaw Station**;
- C. AMENDING Metro's Parking Rates and Fee Resolution (Attachment A) in support of the implementation of the Parking Management Pilot Program and Shared Public Parking Pilot Program at the Monrovia and Crenshaw Stations; and
- D. APPROVING Contract Modification Authority (CMA) to Contract No. PS6264800 with L&R Group of Companies dba Joe's Auto Parks in the amount of \$1.3 million, increasing the total CMA amount from \$838,827 to \$2,138,827 to provide additional parking management services at two (2) locations and improved functions for all 15 Metro parking facilities.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	A	Y	A	Y	A	Y	A	Y	A	Y	Y	Y

27 RECEIVED AND FILED Policy Advisory Council update on public review of Draft Measure M Master Guidelines.

2017-0316

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	Y	Y	Y	Y	A	Y	Y	Y	A	Y	Y	Y

- 29 RECEIVED AND FILED status update on the State Route 710 (SR 710) North Project environmental process including explanation of the performance measures/scoring and methodology used to compare and contrast various alternatives studied in the environmental process leading to recommendation of the Preferred Alternative. 2017-0097

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	Y	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y

- 29.1 APPROVED revised Motion by Fasana, Barger Solis, Garcetti and Najarian that to implement mobility improvements that are fundable with existing resources and bring some relief to affected corridor cities, the Metro Board: 2017-0358

- A. SUPPORT adoption of the Transportation System Management/Transportation Demand Management Alternative as the Locally Preferred Alternative (LPA) and defer a decision on any other alternative for future consideration by the Board until the community collectively agrees on the value of that investment and funds are identified to implement a project. This decision and the Board's vote will allow for timely implementation of cost-effective transportation improvements that would include the projects that have support by affected jurisdictions on the TSM/TDM list in the EIS/EIR as well as additional improvement projects that can promote capacity enhancements and operational improvements consistent with the Purpose and Need statement of the project in communities along the corridor. The new Measure R and Government Code 54237.7 projects, described in this motion, that are not included in the environmental document will undergo their own environmental process and clearance as necessary.
- B. ALLOCATE \$105 million of Measure R funds available for the "Interstate 710 North Gap Closure (tunnel) Project" for development and implementation of TSM/TDM projects listed in the EIS/EIR.

(Continued on next page)

(Item 29.1 – continued from the previous page)

- C. ALLOCATE remaining Measure R funds available for the "Interstate 710 North Gap Closure (tunnel) Project" for new mobility improvement projects within the San Gabriel Valley sub-region, if consistent with the purpose and need of the Gap Closure Project to relieve congestion on local streets along the SR-710 alignment between I-10 and I-210, with highest priority for projects proximate to I-10. Newly proposed projects not included in the environmental document will undergo their own environmental process and clearance as necessary. Other funding dedicated to this project, including Regional Surface Transportation, Congestion Mitigation and Air Quality, and Regional Improvement Program funds, shall be allocated for use in the Central sub-region, including Unincorporated East Los Angeles. Funds shall be prioritized for multi-modal and safety enhancement projects within the SR-710 North Study Area. To ensure equitable cashflow, these funds shall be scheduled proportionally to Measure R funding in the next Long Range Transportation Plan update.
- D. CONSULT WITH affected jurisdictions and Caltrans and report back to the Metro Board within 90 days on a procedure to initiate the identification of projects to be funded through the SR-710 Rehabilitation Account, as prescribed in Government Code 54237.7. Such projects are to be located in Pasadena, South Pasadena, Alhambra, La Cañada Flintridge, and the 90032 postal ZIP Code, and may include, but are not limited to: sound walls; transit and rail capital improvements; bikeways; pedestrian improvements; signal synchronization; left turn signals; and major street resurfacing, rehabilitation, and reconstruction. Metro shall be responsible for submitting the list of projects to the California Transportation Commission (CTC) who will have the final authority to approve those projects.
- E. ENCOURAGE the corridor cities, Caltrans, and Metro to collectively pursue policies and actions that would promote smart and functional land use, reduce automobile dependency, encourage multi-modal trips, improve traffic operations, and maximize the use of the latest available technologies to enhance the performance of the existing transportation system to minimize impacts of the regional traffic on the communities along the SR-710 corridor.
- F. ENCOURAGE Caltrans, working with Metro and affected jurisdictions, to identify corrective measures to contain the regional traffic on the freeway system and minimize impacts on the local street network in the SR-710 corridor.
- G. DIRECT the Metro staff to work with Caltrans, the corridor cities, and other affected jurisdictions to identify and pursue the new Measure R and the Government Code 54237.7 projects referenced in this motion.

(Continued on next page)

(Item 29.1 – continued from the previous page)

H. REPORT BACK to the Board when Caltrans selects the Preferred Alternative.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	Y	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y

30 APPROVED ON CONSENT CALENDAR:

2017-0279

- A. ADOPTING the **proposed FY18 Budget** as presented in the budget document (provided in a separate transmittal and posted on metro.net); and
- B. the addition of 129 positions, including 22 contract and 107 non-contract full-time equivalent positions; and
- C. the Life of Project (LOP) budgets for new capital projects with LOP exceeding \$5 million, included in the proposed FY18 Budget; and
- D. ADOPTING Life of Project (LOP) budget of \$118.9 million for Blue Line Signaling Rehabilitation and Operational State of Good Repair Improvements that incorporates system compatibility, safety features, and new technology to improve headways during service interruptions; and
- E. AMENDING the proposed budget to add \$8.2 million for engineering support and advanced utility relocation designs on Metro Orange Line Grade Separation (project submitted after proposed budget was published); and
- F. AMENDING the proposed budget to add \$1 million for the Comprehensive Operational Analysis (COA), which is a comprehensive service restructuring study; and
- G. the Reimbursement Resolution declaring Metro's intention to issue debt in FY18 for capital projects, with the provision that actual debt issuance will require separate Board approval.

- 31 CARRIED OVER DUE TO ABSENCES AND CONFLICTS AUTHORIZING **2017-0132** the CEO to award Contract No. C1081 to Mass Electric Construction Co/Parsons, the selected best value contractor to design and construct the **Blue Line State of Good Repair signaling rehabilitation and operational improvements** for a contract value of \$81,513,000.

- 32 AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to negotiate and execute a performance-based Contract Modification to **Cubic Transportation Systems Inc. Contract No. OP02461010** to extend the base contract through December 2024 for no upfront cost of development for Nextlink, a cloud-based connection system that will link the legacyTAP system to programs and services such as the TAP mobile payment app, Bike Share, fare subsidy programs, parking, ride-hailing services and more, in exchange for sales transaction fees of 0.5-3.0%, based on use of mobile app and retail fare sales for five (5) years of operation after development. **2017-0272**

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
				S				C				

- 33 AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer (CEO) to execute a final Modification to Contract C1013R, with Skanska USA Civil West California District Inc., for the **design and construction of the west entrance at the North Hollywood Station on the Metro Red Line**, in the amount \$1,261,770, adjusting the total current contract price from \$15,743,901.61 to \$17,005,671.61 within the life of project budget. **2017-0137**

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
							S	S				S

- 35 APPROVED AS AMENDED BY FASANA, SOLIS AND HAHN: **2017-0154**

A. APPROVING an updated Project Definition for Environmental Clearance, including three alternatives:

1. SR 60 North Side Design Variation Alternative;
2. Washington Boulevard Alternative with Atlantic Below-Grade Option; and
3. Combined Alternative with both SR 60 and Washington Boulevard via Atlantic Segments; and

B. RECEIVING AND FILING the **Eastside Phase 2 Technical Study Report**. Attachment D contains the Executive Summary. The full report is available upon request.

AMENDMENT BY FASANA, SOLIS AND HAHN that upon completion of the revised environmental document, staff also report back on options to comply with the above groundbreaking dates, and potential opportunities for accelerating both alignments. **2017-0395**

(Continued on next page)

(Item 35 – continued from previous page)

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	A	Y	A	Y	A	Y	A	Y	A	Y	Y	Y

36 AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to: **2017-0150**

- A. AWARD five (5) year, Indefinite Delivery/Indefinite Quantity Contract No. OP7396000 for a **Biomethane Gas Provider to Clean Energy Renewables**, the lowest responsive and responsible bidder for a not-to-exceed amount of \$1,240,520 for the base year (for one bus division as a pilot) and a not-to-exceed amount of \$54,808,110 for a four (4) year option, for a total contract amount of \$56,048,630 (for all bus divisions if the pilot is successful), subject to resolution of protest(s), if any; and
- B. EXECUTE individual Task Orders (Transaction Confirmations) and changes within the Board approved contract amount.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
C												

37 AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to **2017-0144** execute an Exclusive Negotiations and Planning Agreement (ENA) with Trammell Crow Company and Greenland USA (Developer) for the **properties at North Hollywood Station** (Site), for 24 months with the option to extend up to 30 months.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
			C	C			S	S				

38 CARRIED OVER DUE TO ABSENCES AND CONFLICTS AUTHORIZING **2017-0096** the Chief Executive Officer to:

- A. AWARD three, three-year on-call contracts, Contract Nos. AE30673000, AE30673001, and AE30673002, to AECOM Technical Services, Inc., CH2M Hill, Inc., and Parsons Transportation Group, Inc., respectively, for a total not-to-exceed amount of \$30,000,000, for **Highway Program Project Delivery Support Services for Los Angeles County**, subject to resolution of protest(s), if any; and
- B. AWARD Task Orders within the approved not to exceed cumulative value of \$30,000,000.

- 39 RECEIVED AND FILED the status report on Measure M Local Return allocation alternatives.

2017-0226

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	Y	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y

- 40 APPROVED BY 2/3 VOTE OF THE BOARD:

2017-0085

- A. HOLDING a public hearing on the proposed Resolution of Necessity; and
- B. ADOPTING the Resolution of Necessity authorizing the commencement of an eminent domain action to acquire Project Parcel W-3002 (APN: 4343-005-004), for Purple Line Westside Subway Extension Transit Project Section 2, consisting of the real property and the improvements pertaining to the realty.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	A	Y	Y	Y	A	Y	A	Y	A	Y	Y	Y

- 41 APPROVED BY 2/3 VOTE OF THE BOARD:

2017-0287

- A. HOLDING a public hearing on the proposed Resolution of Necessity; and
- B. ADOPTING the Resolution of Necessity authorizing the commencement of an eminent domain action to acquire Project Parcel W-3602 (APN: 4309-001-008), the Purple Line Westside Subway Extension Transit Project Section 2, consisting of a temporary construction easement and a permanent subsurface tunnel easement.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
Y	A	Y	Y	Y	A	Y	A	Y	A	Y	Y	Y

- 42 CLOSED SESSION:

2017-0380

- A. Conference with Legal Counsel - Existing Litigation - G.C. 54956.9(d)
(1):

1. Jonathan Dean, et al. v. LACMTA, LASC Case No. BC413809

APPROVED a settlement of \$900,000.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
A	A	Y	A	Y	A	Y	A	Y	A	Y	Y	Y

(Continued on next page)

(Item 42A – continued from previous page)

2. Linda Faye Thompson v. LACMTA, LASC Case No. BC615865

APPROVED a settlement of \$250,000.

JH	PK	JDW	MB	KB	MRT	JF	EG	SK	JB	HS	AN	RG
A	A	Y	A	Y	A	Y	A	Y	A	Y	Y	Y

- B. Conference with Legal Counsel - Anticipated Litigation - G.C. 54956.9(d)(4):

Initiation of Litigation (One Case)

NO REPORT.

- C. Conference with Labor Negotiator - G.C. 54957.6:

Agency Designated Representative: Joanne Peterson or designee

Employee Organizations: SMART, ATU, TCU, AFSCME and Teamsters

NO REPORT.

- D. Conference with Real Property Negotiator - G.C. 54956.8:

1. Property Description: 6101 Wilshire Boulevard, Los Angeles, CA

Agency Negotiator: Velma C. Marshall

Negotiating Party: AU Zone Investments #2

Under Negotiation: Price and Terms

NO REPORT.

2. Property Description: 1940 Century Park East, Los Angeles, CA

Agency Negotiator: Carol A. Chiodo

Negotiating Party: Vinci Academy L.L.C. (Tenant)

Under Negotiation: Price and Terms

NO REPORT.

3. Property Description: 13900 Rosecrans Ave., Santa Fe Springs, CA

Agency Negotiator: Carol A. Chiodo

Negotiating Party: H.D. Nogle and Sons, Inc.

Under Negotiation: Price and Terms

NO REPORT.

(Continued on next page)

(Item 42D – continued from previous page)

4. Property Description: 13720 Rosecrans Ave., Santa Fe Springs, CA
Agency Negotiator: Carol A. Chiodo
Negotiating Party: D.P. Milroy, LLC
Under Negotiation: Price and Terms

NO REPORT.

5. Property Description: 13750 Rosecrans Ave., Santa Fe Springs, CA
Agency Negotiator: Carol A. Chiodo
Negotiating Party: Miriam Arato, As Trustee of The Arato Family
Trust Utd. May 16, 1986
Under Negotiation: Price and Terms

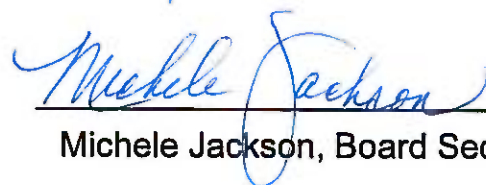
NO REPORT.

6. Property Description: 659-665 So. La Brea, Los Angeles, CA
Agency Negotiator: Carol A. Chiodo
Negotiating Party: MHK IMPEX Corp. (dba Lawrence of La
Brea)
Under Negotiation: Price and Terms

NO REPORT.

ADJOURNED at 1:42 p.m. in memory of David Spence, former La Cañada Flintridge City Council Member.

Prepared by: Collette Langston
Board Specialist



Michele Jackson, Board Secretary



Board Report

File #: 2017-0306, **File Type:** Program

Agenda Number: 10.

FINANCE, BUDGET AND AUDIT COMMITTEE JUNE 14, 2017

SUBJECT: EXCESS LIABILITY INSURANCE PROGRAM

ACTION: PURCHASE EXCESS LIABILITY INSURANCE

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to negotiate and award excess liability insurance policies with up to \$300 million in limits at a cost not to exceed \$4.5 million for the 12-month period effective August 1, 2017 to August 1, 2018.

ISSUE

The excess liability insurance policies expire August 1, 2017. Insurance underwriters will not commit to final pricing until roughly six weeks before our current program expires on August 1. Consequently, we are requesting a not-to-exceed amount for this renewal pending final pricing and carrier identification. Metro is required by some shared use agreements with the freight railroads (Attachment A) to carry excess liability insurance. Without this insurance, Metro would be subject to unlimited liability for bodily injury and property damage claims resulting from, primarily, bus and rail operations.

DISCUSSION

Our insurance broker, Wells Fargo Insurance Services ("Wells"), is responsible for marketing the excess liability insurance program to qualified insurance carriers. Quotes are in the process of being received by our broker from carriers with A.M. Best ratings indicative of acceptable financial soundness and ability to pay claims.

The casualty insurance market for the transportation sector is undergoing change with insurers revisiting their underwriting methods after many years of declining real premium rates. In past years, Metro was able to add the Expo Line to Santa Monica and the Gold Line Extension to Azusa for no additional premium. Over the last several years; however, the insurance industry's assessment of transportation and transit risks has deteriorated for a variety of factors.

High profile rail accidents in the Northeast commuter rail corridor, a derailment at the CTA's O'Hare Airport Station, a SEPTA derailment and continuing safety concerns at WMATA have negatively affected rail liability insurance pricing. Liability insurance coverage for our bus system has also been negatively affected because of the substantial increase in nationwide and California highway

fatalities. For example, the National Safety Council has recently reported that California highway fatalities are up 18% between 2014 and 2016. Finally, competitive pressure, which has kept prices low in California, is lessening, because of industry concerns regarding California public entity loss experience. Two years ago, a leading public entity insurer, CV Starr exited the public entity liability insurance business in California altogether. This year, another leading public entity insurer, National Casualty (Scottsdale), will be exiting the California public entity marketplace. Both of these insurers were represented in prior years on Metro's liability insurance tower and have been, or will be replaced. Although negotiations are ongoing with replacements for National Casualty, a premium increase is expected in the replacement's layer of participation and possibly up Metro's tower of insurance. Attachment B shows Metro's current liability insurance carriers.

Staff and Wells developed a 2017/2018 excess liability insurance renewal strategy with the following objectives. First, our insurance underwriter marketing presentations emphasized the low risk of light rail and bus rapid transit services added over the past years in order to mitigate insurer's concerns with increased operating exposures. Second, we wanted to maintain a diversified mix of international and domestic insurers to maintain competition and reduce our dependence on any single insurance carrier including replacing our second tier carrier. Third, we desired to maintain total limits of \$300 million while maintaining a \$7.5 million self-insured retention.

Wells Fargo is presenting the submission to several competing insurers in order to create competition in the layers of our insurance program. Our broker contacted the markets in April and is conducting a global search to replace National Casualty. Insurance executives both nationally and internationally expressed continuing increased underwriting discipline in particular for transportation risks. In that context, insurers asked for detailed loss information on Metro risks. Insurers perform detailed actuarial valuations on our book of business to establish their premiums. We are awaiting final insurance quotes from our broker.

Metro continues to benefit from favorable pricing in the market place. Last year, we obtained \$300 million in coverage with \$7.5 million retention for \$3.75 million. We are anticipating a roughly flat renewal with pricing within 5% of last year's pricing, and possibly no increase in pricing. To cover an unexpected quote, we are asking the Board's approval for a not-to-exceed \$4.5 million.

Attachment C provides an overview of the current program, renewal options and estimated associated premiums, and the agency's loss history. The Recommended Program, Option A, retains total limits of \$300 million with \$7.5 million retention and provides terrorism coverage at all levels.

DETERMINATION OF SAFETY IMPACT

Approval of this recommendation will not impact the safety of Metro's patrons or employees.

FINANCIAL IMPACT

The funding for eleven months of \$4.4 million for this action is included in the FY18 budget in cost center 0531, Risk Management - Non Departmental Costs, under projects 300022 - Rail Operations - Blue Line, 300033 - Rail Operations - Green Line, 300044 - Rail Operations - Red Line, 300055 - Gold Line, 300066 - Rail Operations - Expo Line, 301012 - Metro Orange Line, 306001 - Operations

Transportation, 320011 - Union Station, and 405533 - Commuter Rail in account 50602 (Ins Prem For Gen Liability). The remaining month of premiums will be included in the FY19 budget, cost center 0531, Risk Management - Non Departmental Costs, under projects under projects 300022 - Rail Operations - Blue Line, 300033 - Rail Operations - Green Line, 300044 - Rail Operations - Red Line, 300055 - Gold Line, 300066 - Rail Operations - Expo Line, 301012 - Metro Orange Line, 306001 - Operations Transportation, 320011 - Union Station, and 405533 - Commuter Rail in account 50602 (Ins Prem For Gen Liability). In FY17, an estimated \$3.7 million will be expensed for excess liability insurance.

Impact to Budget

Approval of this action has no impact on the FY18 budget. The current fiscal year funding for this action will come from the Enterprise, General and Internal Service funds. No other sources of funds were considered because these are the activities that benefit from the insurance coverage. This activity will result in a negligible change to operating costs from the prior fiscal year.

ALTERNATIVES CONSIDERED

Various deductibles and limits of coverage options were considered as described in Attachment C. Our estimated penetration of the excess layer and premium history is also shown in this attachment. Option A maintains \$300 million limits with a SIR of \$7.5 million. This option conforms to the minimum \$295 million liability cap as required by the FAST Act. Option B maintains \$300 million limits but increases the SIR to \$8 million. Option B is not recommended because the estimated cost of retaining a loss exceeds the cost benefit of decreasing the total premium.

NEXT STEPS

Upon Board approval of this action, we will advise Wells to proceed with placement of the excess liability insurance program outlined herein effective August 1, 2017.

ATTACHMENTS

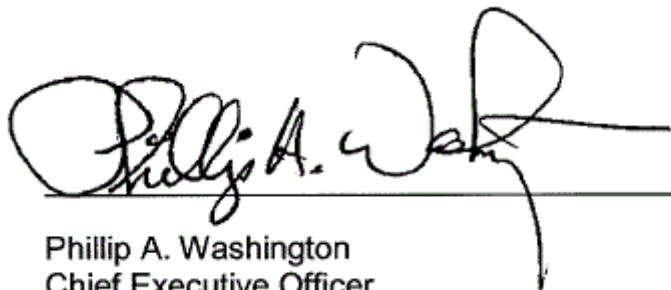
Attachment A - Shared Use Agreements with the Freight Railroads

Attachment B - 2016/2017 Liability Insurance Carriers

Attachment C - Options, Premiums and Loss History

Prepared by: Tim Rosevear, Manager, Financing Manager, (213) 922-6354

Reviewed by: Greg Kildare, Chief Risk, Safety and Asset Management Officer, (213) 922-4971



Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

SHARED USE AGREEMENTS WITH THE FREIGHT RAILROADS

Insurance excerpt from the Pasadena Subdivision, Los Angeles County Agreement with BNSF Railway effective March 31, 2011:

“ARTICLE 20. EAST END SEGMENT: INSURANCE

20.4 The Parties may renegotiate the limits of coverage of both Parties every 5 years upon 1 year notice, or if federal legislation limiting liability for passenger rail service is overturned, revoked or otherwise becomes ineffective as the result of a federal statutory change or a final, non-appealable, court ruling, or if federal legislation reduces liability limits. Except with respect to a change in insurance caused by the events regarding federal legislation described in the preceding sentence, any renegotiation shall be based on the national CPI-U and prevailing conditions in the liability insurance market, take into account any safety improvements or enhancements implemented by one or both parties or installed on one or more of the covered rail lines, and any dispute shall be resolved by arbitration in accordance with the procedures set forth in Article 12 of the SUA; such adjustments shall also apply to the self insured retention or deductible.

20.5 Agency shall not be required to maintain liability coverage above limits set by federal legislation applicable to passenger or commuter rail operations, but in no event shall Agency maintain coverage of less than \$200 million per occurrence, except as expressly provided in Section 20.1 above. Agency also shall not be required to maintain liability coverage in excess of \$200 million for any year that would result in its having to pay 125% of the prior year's premium amounts (except for the initial purchase pursuant to this Article 20).

ATTACHMENT B

2016/2017 LIABILITY INSURANCE CARRIERS

Excess Limit		Layer(s)	Participation	Carrier
\$300M	Excess Liability	\$50M xs \$250M	\$25,000,000 \$12,500,000 \$12,500,000	Apollo Novae StarStone
\$250M	Excess Liability	\$50M xs \$200M	\$35,000,000 \$15,000,000	Argo Re Swiss Re
\$200M	Excess Liability	\$100M xs \$100M	\$40,000,000 \$25,000,000 \$12,500,000 \$12,500,000 \$10,000,000	Aspen Iron-Starr Endurance Specialty Canopus Argo Re
\$100M	Excess Liability	\$50M xs \$50M	\$15,000,000 \$15,000,000 \$10,000,000 \$10,000,000	Great American AWAC XL Insurance America Ironshore
\$50M	Excess Liability	\$10M xs \$40M	\$10,000,000	XL Insurance America
\$40M	Excess Liability	\$10M xs \$30M	\$10,000,000	Great American
\$30M	Excess Liability	\$10M xs \$20M	\$10,000,000	Endurance American
\$20M	Excess Liability	\$10M xs \$10M	\$10,000,000	National Casualty
\$10M	Primary Liability	\$10M Primary	\$10,000,000	Peleus (Trident)
Total Limits		\$300,000,000		

ATTACHMENT C**Options, Premiums and Loss History****Current Insurance Premium and Proposed Options**

	CURRENT PROGRAM	OPTIONS (Estimated)	
		A	B
Self-Insured Retention	\$7.5 mil	\$7.5 mil	\$8.0 mil
Limit of Coverage	\$300 mil	\$300 mil	\$300 mil
Terrorism Coverage	Yes	Yes	Yes
Premium	\$3.75 mil	\$4.5 mil	\$4.3 mil

**Premium History for Excess Liability Policies
Ending in the Following Policy Periods**

	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Self-Insured Retention	\$4.5 mil	\$4.5 mil	\$4.5 mil	\$5.0 mil	\$5.0 mil	\$7.5 mil	\$7.5 mil	\$7.5 mil	\$7.5 mil
Insurance Premium	\$4.3 mil	\$3.8 mil	\$3.8 mil	\$3.9 mil	\$3.9 mil	\$3.6 mil	\$3.7 mil	\$3.6 mil	\$3.7 mil
Claims in Excess of Retention	3	1	0	0	2 *	1	0 (est.)	0 (est.)	0 (est.)
Estimated Amount in Excess of Retention	\$14.8 mil	\$1.0 mil	0	0	\$5.4 mil *	\$1.3 mil	unknown	unknown	unknown

* 1 pending (open case)



Board Report

File #: 2017-0319, **File Type:** Formula Allocation / Local Return

Agenda Number: 11.

FINANCE BUDGET AND AUDIT COMMITTEE JUNE 14, 2017

SUBJECT: FISCAL YEAR 2018 TRANSIT FUND ALLOCATIONS

ACTION: APPROVE FY2018 TRANSIT FUND ALLOCATIONS AND RELATED ACTIONS

RECOMMENDATION

CONSIDER:

- A. APPROVING \$2.1 billion in FY2018 Transit Fund Allocations for Los Angeles County jurisdictions, transit operators and Metro operations as shown in Attachment A. These allocations comply with federal, state and local regulations and LACMTA Board - approved policies and guidelines. Measure M allocations are subject to Board approval of Measure M guidelines.
- B. AUTHORIZING the Chief Executive Officer to adjust FY2018 Federal Section 5307 (Urbanized Formula), Section 5339 (Bus and Bus Facilities) and Section 5337 (State of Good Repair) allocations upon receipt of final apportionment from the Federal Transit Authority and amend FY2018 budget as necessary to reflect the aforementioned adjustment.
- C. APPROVING fund exchange in the amount of \$6.0 million of Santa Monica's Big Blue Bus' FY2018 Federal Section 5307 formula share allocation with Metro's TDA Article 4 allocation.
- D. APPROVING fund exchange of Federal Section 5307 discretionary fund awarded to the Southern California Regional Transit Training Consortium (SCRTTC) through Long Beach Transit in the amount of \$300,000 with Metro's TDA Article 4 allocation.
- E. APPROVING fund exchanges in the amount totaling \$11.2 million of Metro's share of Federal Section 5307 with Municipal Operators' shares of Federal Sections 5339 and 5337.
- F. ADOPTING a resolution designating Transportation Development Act (TDA) and State Transit Assistance (STA) fund allocations are in compliance with the terms and conditions of the allocations (Attachment C); and
- G. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements to implement the above funding programs.

ISSUES

- Each year, transit operating and capital funds consisting of federal, state and local revenues are allocated to Metro operations, transit operators and Los Angeles County local jurisdictions for programs, projects and services according to federal guidelines, state laws and established funding policies and procedures. The Board of Directors must approve allocations for FY2018 before funds can be disbursed.
- The Tier 2 Operators Funding Program continues with \$6.0 million funding from Proposition A 95% of 40% Discretionary growth over inflation.
- Santa Monica's Big Blue Bus (BBB) is requesting a \$6.0 million fund exchange of its FY2018 Federal Section 5307 formula allocation with Metro's non-federal funds in order to pay capital projects that require local funds such as mid-life bus rebuilds, yard improvements, farebox upgrades, facility improvements and advanced technology projects.
- The Municipal Operators are requesting fund exchanges of their Federal Sections 5339 and 5337 allocations with Metro's share of Federal Section 5307 allocation in order to minimize the impact on administrative processes associated with these funding programs.
- At its April 18, 2017 meeting, the Bus Operators Subcommittee awarded \$300,000 a year for three years of Federal Section 5307 15% Discretionary fund to the Southern California Regional Transit Training Consortium (SCRTTC) through Long Beach Transit. Funds will be exchanged with Metro's share of the Transportation Development Act (TDA) funds.

BACKGROUND

LACMTA developed the recommended FY2018 Transit Fund Allocations according to federal, state and local requirements, as well as policies and guidelines previously approved by LACMTA Board. Details of significant information, methodologies and assumptions are described in **Attachment B**.

The allocation of Measure M funds included in this report, the 20% Transit Operations and 17% Local Return funds, are subject to Board approval of the Measure M Guidelines.

We have reviewed the recommended allocations, related methodologies and assumptions with Metro operations, transit operators, Los Angeles County local jurisdictions, The Technical Advisory Committee (TAC), the Bus Operators Subcommittee (BOS) and the Local Transit Systems Subcommittee (LTSS). The TAC, the BOS and the LTSS have all formally adopted the recommended FY2018 Transit Fund Allocations.

POLICY IMPLICATIONS

The Los Angeles County Metropolitan Transportation Authority (LACMTA), as the Regional Transportation Planning Entity for Los Angeles County, is responsible for planning, programming and allocating transportation funding to Los Angeles County jurisdictions, transit operators, and Metro Operations. LACMTA Board approval will allow the continued funding of transportation projects, programs and services in Los Angeles County.

OPTIONS

The Board may choose not to approve the FY2018 Transit Fund Allocations. This alternative is not recommended because federal, state and local requirements, as well as prior LACMTA Board policies and guidelines require us to annually allocate funding to Los Angeles County jurisdictions, transit operators, and Metro Operations for programs, projects and services. Allocation methodologies and assumptions comply with federal, state and local requirements, as well as policies and guidelines previously approved by LACMTA Board.

FINANCIAL IMPACT

The FY2018 Transit Fund Allocations are included in the FY2018 Budget in multiple cost centers and multiple projects. Approval of these recommendations authorizes LACMTA to disburse these funds to the Los Angeles County jurisdictions and transit operators.

NEXT STEPS

After the Board of Directors approves the recommended allocations and adopts the resolution, LACMTA will work with Los Angeles County jurisdictions, transit operators, Southern California Association of Governments (SCAG) and Metro Operations to ensure the proper disbursement of funds.

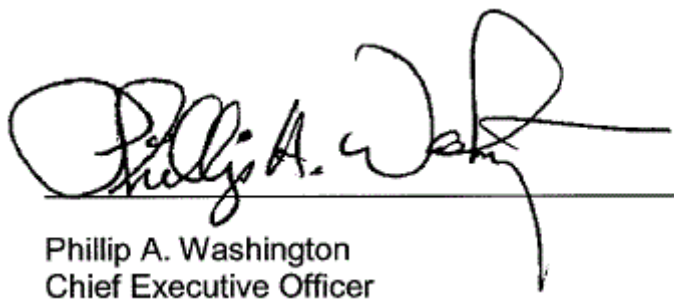
ATTACHMENTS

- A. FY2018 Transit Fund Allocations
- B. Summary of Significant Information, Methodologies and Assumptions
- C. TDA and STA Resolution

Prepared by: Manijeh Ahmadi, Principal Transportation Planner, (213) 922-3083

Michelle Navarro, Senior Director, (213) 922-3056

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



Phillip A. Washington
Chief Executive Officer



Los Angeles County Metropolitan Transportation Authority

TRANSIT FUND ALLOCATIONS

July 1, 2017 – June 30, 2018

May 23, 2017

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

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**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

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**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

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Bus Transit Subsidies

STATE AND LOCAL FUNDS

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

REVENUE ESTIMATES						
STATE AND LOCAL	FY18 Estimated Revenue	Carryover FY16 Budget vs Actual	Interest FY16 Actual	FY18 Total Funds Available	NOTE	FY17 Total Funds Available
Transportation Development Act:						
Planning & Administration:						
1 Planning - Metro	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000		\$ 2,000,000
2 Planning - SCAG	3,007,500	7,521		3,015,021		3,035,559
3 Administration - Metro	3,492,500	(7,521)		3,484,979		3,464,441
4 Sub-total	8,500,000	-	-	8,500,000		8,500,000
5 Article 3 Pedestrian & Bikeways 2.0000%	7,850,000	20,055		7,870,055		7,924,824
6 Article 4 Bus Transit 91.6536%	359,740,268	919,051	1,416,021	362,075,340		364,667,432
7 Article 8 Streets & Highways 6.3464%	24,909,732	63,638		24,973,370		25,188,543
8 Total	401,000,000	1,002,744	1,416,021	403,418,765	a	406,280,799
Proposition A:						
9 Administration 5.0000%	40,100,000	6,824		40,106,824		40,357,732
10 Local Return 25.0000%	190,475,000	n/a		190,475,000	c	188,978,750
11 Rail Development 35.0000%	266,665,000	45,377		266,710,377		268,378,917
Bus Transit: 40.0000%						
12 95% of 40% Capped at CPI 1.7500%	238,937,564	n/a		238,937,564	b	234,828,073
13 95% of 40% Over CPI	50,584,436			50,584,436	d	52,419,627
14 Sub-total	289,522,000	-		289,522,000		287,247,700
15 5% of 40% Incentive	15,238,000	2,593		15,240,593		15,335,938
16 Total	802,000,000	54,794		802,054,794	a	800,299,037
Proposition C:						
17 Administration 1.5000%	12,030,000	2,144		12,032,144		12,106,982
18 Rail/Bus Security 5.0000%	39,498,500	7,039		39,505,539		39,751,257
19 Commuter Rail 10.0000%	78,997,000	14,078		79,011,078		79,502,514
20 Local Return 20.0000%	157,994,000	n/a		157,994,000	c	156,752,900
21 Freeways and Highways 25.0000%	197,492,500	35,196		197,527,696		198,756,285
22 Discretionary 40.0000%	315,988,000	56,313		316,044,313		318,010,055
23 Total	802,000,000	114,770		802,114,770	a	804,879,993
State Transit Assistance:						
24 Bus (PUC 99314 Rev Base Share)	28,000,000	(14,490,130)	134,993	13,644,863	e	29,277,328
25 Rail (PUC 99313 Population Share)	32,000,000	(12,506,066)	41,581	19,535,515		29,665,148
26 Total	60,000,000	(26,996,196)	176,574	33,180,378		58,942,476

**Los Angeles County Metropolitan Transportation Authority
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REVENUE ESTIMATES (continued)						
STATE AND LOCAL	FY18 Estimated Revenue	Carryover FY16 Budget vs Actual	Interest FY16 Actual	FY18 Total Funds Available	N O T E	FY17 Total Funds Available
Measure R:						
27 Administration 1.5000%	12,030,000	22,018	535,646	12,587,664		12,401,771
28 Transit Capital - "New Rail" 35.0000%	276,489,500	506,039	(1,143,270)	275,852,269		278,588,940
29 Transit Capital - Metrolink 3.0000%	23,699,100	43,375	1,752,117	25,494,592		25,063,336
30 Transit Capital - Metro Rail 2.0000%	15,799,400	28,917	(806,835)	15,021,482		16,099,796
31 Highway Capital 20.0000%	157,994,000	289,165	5,176,782	163,459,947		162,012,631
32 Operations "New Rail" 5.0000%	39,498,500	72,291	1,031,693	40,602,484		40,384,729
33 Operations Bus 20.0000%	157,994,000	289,165	(234,359)	158,048,806		158,958,494
34 Local Return 15.0000%	118,495,500	n/a	(51)	118,495,449	c	117,554,748
35 Total	802,000,000	1,250,970	6,311,723	809,562,693	a	811,064,445
Measure M:					f	
Local Return Supplemental & Administration:						
36 Administration 0.5000%	3,923,785	-		3,923,785		-
37 Supplemental transfer to Local Return 1.0000%	7,504,715	n/a		7,504,715	c,g	-
38 Sub-total	11,428,500			11,428,500		
39 Local Return Base 16.0000%	120,075,440	n/a		120,075,440	c,g	-
40 Metro Rail Operations 5.0000%	37,523,575	-		37,523,575		-
41 Transit Operations (Metro & Municipal Providers) 20.0000%	150,094,300	-		150,094,300		-
42 ADA Paratransit/Metro Discounts for Seniors & Students 2.0000%	15,009,430	-		15,009,430		-
43 Transit Construction 35.0000%	262,665,025	-		262,665,025		-
44 Metro State of Good Repairs 2.0000%	15,009,430	-		15,009,430		-
45 Highway Construction 17.0000%	127,580,155	-		127,580,155		-
46 Metro Active Transportation Program 2.0000%	15,009,430	-		15,009,430		-
47 Regional Rail 1.0000%	7,504,715	-		7,504,715		-
48 Total	761,900,000	-	-	761,900,000		-
49 Total Funds Available	\$ 3,628,900,000	\$ (24,572,918)	\$ 7,904,318	\$ 3,612,231,400		\$ 2,881,466,750
Total Planning & Admin Allocations:						
50 (Lines 4, 9, 17, 27 and 36)	\$ 76,583,785	\$ 30,985	\$ 535,646	\$ 77,150,416		\$ 73,366,485

Notes:

- a) The revenue estimate is 2.6% over the FY17 revenue estimate based on several economic forecasts evaluated by MTA.
- b) CPI of 1.75% represents the average estimated growth rate based on various forecasting sources and historical trends applied to Prop A discretionary allocated to Included operators.
- c) Local Return Subfunds do not show carryover balances. These funds are distributed in the same period received.
- d) Proposition A 95% of 40% Bus Transit current year estimate will be used to fund Eligible and Tier 2 operators. The carryover is not shown since it has been converted into Proposition C 40% discretionary to fund various Board-approved discretionary programs.
- e) STA Revenue estimate from the State Controller's office is reduced by \$14.5M for the revenue based share and \$6M for the population based share due to anticipated shortfall of FY18 revenue.
- f) Revenues for Measure M's inaugural year are estimated to approximate 95 percent of the Proposition A, C and Measure R revenues. This is based on past history with new sales tax ordinance receipts. The remaining 5 percent will carryover to FY19.
- g) Measure M provides for a total of 17% net revenues for Local Return. Supplement of 1% to be funded by 1.5% administration.

**Los Angeles County Metropolitan Transportation Authority
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STATE AND LOCAL FUNDS											
	Formula Allocation Procedure				Proposition C 5% Security	Proposition C 40% Discretionary	Measure R		Measure M	Total State and Local Funds	
	TDA Article 4 + Interest	STA + Interest	Proposition A 95% of 40 % Discretionary	Sub-Total FAP			20% Bus Operations	Clean Fuel & Facilities			
<u>Included Operators:</u>											
1	Metro Bus Ops	\$ 262,223,136	\$ 10,119,334	\$ 175,658,316	\$ 448,000,786	\$ 28,586,677	\$ 19,408,036	\$ 108,667,922	\$ 6,653,343	\$ 103,730,543	\$ 715,047,307
Municipal Operators:											
2	Arcadia	266,793	10,054	176,060	452,907	7,164	83,114	108,213	17,288	103,062	771,748
3	Claremont	151,235	5,699	99,802	256,736	3,104	53,328	61,342	7,368	58,422	440,300
4	Commerce	416,134	15,682	274,611	706,427	40,716	1,051,618	168,786	32,878	160,753	2,161,178
5	Culver City	5,172,364	194,921	3,413,301	8,780,586	374,954	2,019,367	2,097,944	140,984	1,998,085	15,411,920
6	Foothill Transit	23,116,173	871,136	16,526,131	40,513,440	900,983	9,440,544	9,376,067	816,437	8,929,782	69,977,254
7	Gardena	5,116,125	192,802	3,376,188	8,685,115	237,924	2,396,362	2,075,133	121,059	1,976,360	15,491,954
8	La Mirada	111,396	4,198	73,511	189,105	3,413	25,598	45,183	6,658	43,032	312,990
9	Long Beach	22,700,848	844,179	14,782,570	38,327,597	1,745,933	9,589,534	9,085,927	613,168	8,653,452	68,015,611
10	Montebello	7,932,178	298,925	5,234,533	13,465,636	470,252	3,577,258	3,217,342	190,109	3,064,202	23,984,800
11	Norwalk	2,883,178	108,653	2,174,235	5,166,066	91,421	776,017	1,169,435	55,649	1,113,772	8,372,361
12	Redondo Beach	698,276	26,315	460,800	1,185,390	26,272	221,670	283,225	27,001	269,744	2,013,301
13	Santa Monica	25,160,976	722,084	12,644,542	38,527,602	1,099,488	6,684,328	7,771,814	454,854	7,401,889	61,939,975
14	Torrance	6,126,528	230,879	4,042,964	10,400,372	252,968	3,488,624	2,484,959	134,498	2,366,679	19,128,100
15	Sub-Total	99,852,204	3,525,529	63,279,248	166,656,980	5,254,592	39,407,363	37,945,371	2,617,952	36,139,236	288,021,493
<u>Eligible Operators:</u>											
16	Antelope Valley	-	-	4,097,338	4,097,338	201,215	1,922,958	2,382,333	186,720	2,268,938	11,059,501
17	LADOT	-	-	20,381,956	20,381,956	1,308,803	7,291,709	4,869,857	356,991	4,638,060	38,847,377
18	Santa Clarita	-	-	4,156,122	4,156,122	203,699	2,369,094	2,416,512	184,995	2,301,490	11,631,912
19	Foothill BSCP	-	-	4,464,961	4,464,961	-	903,740	1,066,812	-	1,016,034	7,451,546
20	Sub-Total	-	-	33,100,377	33,100,377	1,713,717	12,487,501	10,735,514	728,705	10,224,521	68,990,335
<u>Tier 2 Operators:</u>											
21	LADOT Community Dash	-	-	4,712,808	4,712,808	-	-	-	-	-	4,712,808
22	Glendale	-	-	674,726	674,726	-	-	-	-	-	674,726
23	Pasadena	-	-	472,954	472,954	-	-	-	-	-	472,954
24	Burbank	-	-	139,512	139,512	-	-	-	-	-	139,512
25	Sub-Total	-	-	6,000,000	6,000,000	-	-	-	-	-	6,000,000
26	Lynwood Trolley	-	-	-	-	-	215,801	-	-	-	215,801
27	Total Excluding Metro	99,852,204	3,525,529	102,379,626	205,757,358	6,968,308	52,110,665	48,680,884	3,346,657	46,363,757	363,227,629
28	Grand Total	\$ 362,075,340	\$ 13,644,863	\$ 278,037,941	\$ 653,758,144	\$ 35,554,985	\$ 71,518,701	\$ 157,348,806	\$ 10,000,000	\$ 150,094,300	\$ 1,078,274,937

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ATTACHMENT A

BUS TRANSIT FUNDING PERCENTAGE SHARES										
Operators	Vehicle Service Miles(VSM) (¹)	Passenger Revenue (\$) (¹)	Base Fare (\$)	Fare Units	Fare Units Prior to Fare Increase/decrease	Fare Units Used in FAP (²)	Sum 50% VSM + 50% Fare Units	Proposition A Base Share	DAR Cap Adjustment (³)	TDA/STA Share
<u>Included Operators</u>										
1 Metro Bus Ops.(4)	75,809,000	253,594,000	\$ 1.75	144,910,857	197,161,600	197,161,600	136,485,300	74.1622%	0.0000%	74.1622%
2 Arcadia DR	179,075	60,425	0.50	120,850	72,829	72,829	125,952	0.0684%	0.0000%	0.0684%
3 Arcadia MB	19,308	-	-	-	-	-	9,654	0.0052%	0.0000%	0.0052%
4 Claremont	71,900	73,100	2.50	29,240	81,840	81,840	76,870	0.0418%	0.0000%	0.0418%
5 Commerce	423,026	-	-	-	-	-	211,513	0.1149%	0.0000%	0.1149%
6 Culver City	1,584,824	3,405,681	1.00	3,405,681	3,673,208	3,673,208	2,629,016	1.4285%	0.0000%	1.4285%
7 Foothill	9,278,039	13,797,050	1.25	11,037,640	14,221,000	14,221,000	11,749,520	6.3844%	0.0000%	6.3844%
8 Gardena	1,497,262	2,348,284	1.00	2,348,284	3,703,600	3,703,600	2,600,431	1.4130%	0.0000%	1.4130%
9 La Mirada	73,006	40,235	1.00	40,235		40,235	56,621	0.0308%	0.0000%	0.0308%
10 Long Beach	6,799,410	15,743,574	1.25	12,594,859	15,972,456	15,972,456	11,385,933	6.1868%	0.0000%	6.1868%
11 Montebello	2,208,000	4,828,000	1.10	4,389,091	5,855,556	5,855,556	4,031,778	2.1908%	0.0000%	2.1908%
12 Norwalk	836,863	1,223,103	1.25	978,482	2,094,068	2,094,068	1,465,466	0.7963%	0.0000%	0.7963%
13 Redondo Beach DR	18,370	3,630	1.00	3,630		3,630	11,000	0.0060%	0.0000%	0.0060%
14 Redondo Beach MB	371,397	316,444	1.00	316,444		316,444	343,921	0.1869%	0.0000%	0.1869%
15 Santa Monica	4,817,000	12,721,000	1.25	10,176,800	14,661,333	14,661,333	9,739,167	5.2920%	0.0000%	5.2920%
16 Torrance	1,718,000	2,485,600	1.00	2,485,600	4,510,000	4,510,000	3,114,000	1.6921%	0.0000%	1.6921%
17 Sub-Total	105,704,480	310,640,126		192,837,694		262,367,799	184,036,140	100.0000%	0.0000%	100.0000%
<u>Eligible Operators</u>										
18 Antelope Valley	2,848,346	4,821,369	1.50	3,214,246	3,543,241	3,543,241	3,195,794	1.6222%	0.0000%	1.6222%
19 Santa Clarita	2,880,084	3,603,203	1.00	3,603,203		3,603,203	3,241,644	1.6455%	0.0000%	1.6455%
20 LADOT Local	1,910,719	3,188,424	0.50	6,376,848	6,727,520	6,727,520	4,319,120	2.1924%	0.0000%	2.1924%
21 LADOT Express	1,274,324	3,120,479	1.50	2,080,319	3,152,832	3,152,832	2,213,578	1.1236%	0.0000%	1.1236%
22 Foothill - BSCP	1,233,106	1,425,786	1.25	1,140,629	1,650,000	1,650,000	1,441,553	0.7264%	0.0000%	0.7264%
23 Sub-Total	10,146,579	16,159,261		16,415,245		18,676,796	14,411,688	7.3100%	0.0000%	7.3100%
24 Total	115,851,059	326,799,387		209,252,939		281,044,595	198,447,827			

Notes:

(1) Operators' statistics exclude BSIP, TSE, Base Restructuring and MOSIP (including Metro's consent decree) services that are funded from PC 40% Discretionary. Also excluded are services funded from other sources (CRD, FTA, etc.)

(2) Fare units used are frozen to the level prior to fare change in accordance with the Funding Stability policy, adopted by the Board in November 2007. Statring FY18 Arcadia's fare unit will be frozen at its FY17 fare unit level.

(3) TDA cap of 0.25% is applied for DAR operators - Arcadia, Claremont, La Mirada and Redondo Beach DR.

(4) MTA Statistics include contracted services with LADOT for Lines 422, 601 and 602, Glendale and PVPTA.

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INCLUDED & ELIGIBLE OPERATORS ESTIMATED FUNDING LEVELS									Two Year Lag Funding (2)
Operators	TDA & STA % Shares	TDA Article 4 plus interest			STA Rev Base Share Plus Interest	Prop A Disc % Shares	Proposition A Discretionary (1) (2)	Total Formula Funds	
Allocated	Fund Exchange	Net							
Included Operators									
1 Metro Bus Ops	74.1622%	\$ 268,523,136	\$ (6,300,000)	\$ 262,223,136	\$ 10,119,334	74.1622%	\$ 175,658,316	\$ 448,000,786	\$ (1,543,103)
2 Arcadia DR	0.0684%	247,800		247,800	9,338	0.0684%	163,526	420,664	
3 Arcadia MB	0.0052%	18,993		18,993	716	0.0052%	12,534	32,243	
4 Claremont	0.0418%	151,235		151,235	5,699	0.0418%	99,802	256,736	
5 Commerce	0.1149%	416,134		416,134	15,682	0.1149%	274,611	706,427	
6 Culver City	1.4285%	5,172,364		5,172,364	194,921	1.4285%	3,413,301	8,780,586	
7 Foothill	6.3844%	23,116,173		23,116,173	871,136	6.3844%	16,526,131	40,513,440	1,271,509
8 Gardena	1.4130%	5,116,125		5,116,125	192,802	1.4130%	3,376,188	8,685,115	
9 La Mirada	0.0308%	111,396		111,396	4,198	0.0308%	73,511	189,105	
10 Long Beach	6.1868%	22,400,848	300,000	22,700,848	844,179	6.1868%	14,782,570	38,327,597	
11 Montebello	2.1908%	7,932,178		7,932,178	298,925	2.1908%	5,234,533	13,465,636	
12 Norwalk	0.7963%	2,883,178		2,883,178	108,653	0.7963%	2,174,235	5,166,066	271,594
13 Redondo Beach DR	0.0060%	21,642		21,642	816	0.0060%	14,282	36,739	
14 Redondo Beach MB	0.1869%	676,634		676,634	25,499	0.1869%	446,518	1,148,652	
15 Santa Monica	5.2920%	19,160,976	6,000,000	25,160,976	722,084	5.2920%	12,644,542	38,527,602	
16 Torrance	1.6921%	6,126,528		6,126,528	230,879	1.6921%	4,042,964	10,400,372	
17 Sub-Total	100.0000%	362,075,340	-	362,075,340	13,644,863	100.0000%	238,937,564	614,657,767	
Eligible Operators									
Formula Equivalent Funded from Proposition A 95% of 40% Growth over CPI (3)									
18 Antelope Valley	1.6222%	-		-	221,344	1.6222%	3,875,994	4,097,338	
19 Santa Clarita	1.6455%	-		-	224,520	1.6455%	3,931,603	4,156,122	
20 LADOT Local	2.1924%	7,938,055		7,938,055	299,147	2.1924%	5,238,411	13,475,613	
21 LADOT Express	1.1236%	4,068,307		4,068,307	153,315	1.1236%	2,684,721	6,906,343	
22 Foothill - BSCP	0.7264%	2,630,166		2,630,166	99,118	0.7264%	1,735,676	4,464,961	
23 Sub-Total	7.3100%	14,636,528	-	14,636,528	997,443	7.3100%	17,466,405	33,100,377	
24 Total FAP		\$ 362,075,340		\$ 362,075,340	\$ 13,644,863	107.3100%	\$ 238,937,564	\$ 647,758,144	\$ (0)
Proposition A Discretionary (95% of 40%) Growth Over CPI:									
25 Revenue								\$ 50,584,436	
Uses of Fund:									
26 Eligible Operators - Formula Equivalent Funds								33,100,377	
27 Tier 2 Operators								6,000,000	
28 Total Uses of Funds								39,100,377	
29 Proposition A Discretionary (95% of 40%) GOI Surplus (Shortfall)								11,484,059	
30 Backfill from (Transfer to) PC40% Discretionary								(11,484,059)	
								\$ -	

Notes:

(1) Prop A Discretionary funds, (95% of 40%) allocated to Included Operators have been capped at 1.85% CPI for FAP allocation.

(2) The Two-Year Lag Column is for information only. THESE AMOUNTS ARE ALREADY INCLUDED IN PROPOSITION A DISCRETIONARY COLUMN

(3) These funds are allocated by formula to Eligible Operators in lieu of Section 9, TDA, STA and Prop A 40%Discretionary funds. Fund source is Prop A 95% of 40% growth over CPI.

**Los Angeles County Metropolitan Transportation Authority
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ATTACHMENT A

PROPOSITION C 5% TRANSIT SECURITY FUNDING ALLOCATION			
Operators	FY16 Unlinked Passengers	Percent of Total Unlinked Passengers	Total Funding Allocation (1)
1 Antelope Valley	3,033,716	0.5659%	\$ 201,215
2 Arcadia	108,005	0.0201%	7,164
3 Claremont	46,800	0.0087%	3,104
4 Commerce	613,880	0.1145%	40,716
5 Culver City	5,653,192	1.0546%	374,954
6 Foothill	13,584,135	2.5341%	900,983
7 Gardena	3,587,188	0.6692%	237,924
8 LADOT Local/Express	19,732,845	3.6811%	1,308,803
9 La Mirada	51,451	0.0096%	3,413
10 Long Beach	26,323,460	4.9105%	1,745,933
11 Montebello	7,090,000	1.3226%	470,252
12 Norwalk	1,378,352	0.2571%	91,421
13 Redondo Beach DR/MB	396,096	0.0739%	26,272
14 Santa Clarita	3,071,174	0.5729%	203,699
15 Santa Monica	16,577,000	3.0924%	1,099,488
16 Torrance	3,814,000	0.7115%	252,968
17 Sub-Total	105,061,294	19.5987%	6,968,308
18 Metro Bus/Rail Ops (2)	431,001,770	80.4013%	28,586,677
19 Total	536,063,064	100.0000%	\$ 35,554,985

Notes:

(1) Total funding is 90% of Prop C 5% Transit Security:

Estimated Revenue: \$ 39,505,539

90% Thereof: \$ 35,554,985

(2) Metro operations data includes unlinked passengers for bus and rail.

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ATTACHMENT A

PROPOSITION C 40% DISCRETIONARY PROGRAMS												
	MOSIP			Zero-fare Compensation (1)	Foothill Transit Mitigation	Transit Service Expansion	Discretionary Base Restructuring	BSIP Overcrowding Relief	Prop 1B Bridge Funding		TOTAL	
	Prop A % Share	% Share	MOSIP Amount						PTMISEA	SECURITY		
<u>INCLUDED OPERATORS</u>												
1	Metro Bus Ops	\$ -		\$ -	\$ 7,852,034	\$ -	\$ -	\$11,556,003	\$ -	\$ -	\$ 19,408,036	
2	Arcadia	0.0737%	0.2223%	53,507	-	7,801	-	21,806	-	-	83,114	
3	Claremont	0.0418%	0.1260%	30,331	-	4,422	-	-	15,138	3,436	53,328	
4	Commerce	0.1149%	0.3467%	83,458	706,427	12,168	-	249,565	-	-	1,051,618	
5	Culver City	1.4285%	4.3096%	1,037,343	-	151,248	240,554	-	168,100	344,025	2,019,367	
6	Foothill	6.3844%	19.2603%	4,636,061	-	-	332,948	1,997,984	930,206	1,257,810	9,440,544	
7	Gardena	1.4130%	4.2627%	1,026,064	-	149,603	691,440	-	175,483	288,321	2,396,362	
8	La Mirada	0.0308%	0.0928%	22,341	-	3,257	-	-	-	-	25,598	
9	Long Beach	6.1868%	18.6643%	4,492,599	-	655,036	2,282,780	-	823,983	1,088,123	9,589,534	
10	Montebello	2.1908%	6.6090%	1,590,837	-	231,949	-	1,139,719	217,506	323,752	3,577,258	
11	Norwalk	0.7963%	2.4022%	578,235	-	84,309	-	-	56,276	46,615	776,017	
12	Redondo Beach DR/MB	0.1929%	0.5818%	140,043	-	20,419	-	-	3,995	46,628	221,670	
13	Santa Monica	5.2920%	15.9648%	3,842,827	-	560,297	-	-	797,207	1,209,442	6,684,328	
14	Torrance	1.6921%	5.1046%	1,228,705	-	179,149	809,601	725,204	240,702	248,786	3,488,624	
15	Sub-Total	25.8378%	77.9472%	18,762,348	706,427	2,059,659	4,357,323	4,112,471	3,435,263	4,868,640	39,407,363	
<u>ELIGIBLE OPERATORS</u>												
16	Antelope Valley	1.6222%	4.8938%	1,177,961	-	5,816	377,002	-	47,849	256,175	1,922,958	
17	Santa Clarita	1.6455%	4.9640%	1,194,861	-	5,899	197,183	-	51,183	749,763	2,369,094	
18	LADOT Local/Express	3.3160%	10.0036%	2,407,934	-	327,363	2,708,484	-	150,026	1,383,771	7,291,709	
19	Foothill BSCP	0.7264%	2.1914%	527,493	-	-	-	-	-	306,637	903,740	
20	Sub-Total	7.3100%	22.0528%	5,308,248	-	339,079	3,282,669	-	249,058	2,696,347	12,487,501	
21	City of Lynwood Trolley				215,801			-	-	215,801		
22	Total Municipal Operators	33.1478%	100.0000%	24,070,596	706,427	2,398,738	7,855,793	4,112,471	3,684,321	7,564,987	52,110,665	
23	Total	33.1478%	100.0000%	\$24,070,596	\$ 706,427	\$10,250,771	\$7,855,793	\$ 4,112,471	\$15,240,324	\$ 7,564,987	\$ 1,717,331	\$ 71,518,701

Last Year	\$23,369,511		\$7,720,681	\$ 4,041,741	\$14,978,205
% Increase	3.00%		1.750%	1.750%	1.750%
Current Year	\$24,070,596		\$7,855,793	\$ 4,112,471	\$15,240,324

Note:

(1) Allocated as part of FAP to Commerce as compensation for having zero passenger revenues.

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

BRIDGE FUNDING FOR FY15 PROPOSITION 1B PTMISEA FUND							
Allocation Basis - FY15							
	[A]	[B]	[C]	[D] (C-A)	[E]	[F] (A+E)	[G] ([E] /3)
	PTMISEA FUND	FY15 STA % Share	FAP Allocation	FAP Allocation Over (Under) STA Allocation	Bridge Funding	Total Funds	FY18 Bridge Funding (1st of 3 Installments)
<u>Included Operators</u>							
1	Arcadia	\$ 132,924	0.0891%	\$ 117,917	\$ (15,007)	\$ -	\$ 132,924
2	Claremont	40,609	0.0650%	86,023	45,414	45,414	86,023
3	Commerce	282,048	0.0921%	121,887	(160,161)	-	282,048
4	Culver City	873,391	1.4398%	1,905,465	1,032,074	1,032,074	1,905,465
5	Foothill	4,323,936	6.1185%	8,097,366	3,773,430	3,773,430	8,097,366
6	Gardena	1,014,034	1.4198%	1,878,996	864,962	864,962	1,878,996
7	La Mirada	107,067	0.0333%	44,070	(62,997)	-	107,067
8	Long Beach	4,904,330	6.1724%	8,168,698	3,264,368	3,264,368	8,168,698
9	Montebello	2,004,725	2.2487%	2,975,982	971,257	971,257	2,975,982
10	Metro Bus Ops	103,154,440	74.1778%	98,168,631	(4,985,809)	-	103,154,440
11	Norwalk	946,553	0.8209%	1,086,398	139,845	139,845	1,086,398
12	Redondo Beach	120,697	0.1969%	260,582	139,885	139,885	260,582
13	Santa Monica	3,529,674	5.4087%	7,158,000	3,628,326	3,628,326	7,158,000
14	Torrance	1,525,960	1.7170%	2,272,318	746,358	746,358	2,272,318
15	Sub-Total	122,960,388	100.0000%	132,342,333	9,381,945	14,605,919	137,566,307
<u>Eligible Operators</u>							
16	Antelope Valley	1,265,840	1.5372%	2,034,366	768,526	768,526	2,034,366
17	Santa Clarita	-	1.6996%	2,249,290	2,249,290	2,249,290	2,249,290
18	City of Los Angeles	-	3.1368%	4,151,314	4,151,314	4,151,314	4,151,314
19	Foothill BSCP	-	0.6951%	919,912	919,912	919,912	919,912
20	Sub-Total	1,265,840	7.0687%	9,354,882	8,089,042	8,089,042	9,354,882
21	Total Municipal Operators	124,226,228	107.0687%	141,697,215	17,470,987	22,694,961	146,921,189
22	SCRRA	8,116,105	-	-	-	-	8,116,105
23	Grand Total	\$ 132,342,333	107.0687%	\$ 141,697,215	\$ 17,470,987	\$ 22,694,961	\$ 155,037,294

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

BRIDGE FUNDING FOR FY15 PROPOSITION 1B SECURITY FUND						
Operators	Allocation Basis - FY15					
	[A]	[B]	[C]	[D] (C-A)	[E]	[F] (A+E)
	SECURITY FUND	FY15 STA % Share	FAP Allocation	FAP Allocation Over (Under) STA Allocation	FY18 Bridge Funding	Total Funds
<u>Included Operators</u>						
1 Arcadia	\$ 10,058	0.0891%	\$ 8,923	\$ (1,136)	\$ -	\$ 10,058
2 Claremont	3,073	0.0650%	6,509	3,436	3,436	6,509
3 Commerce	21,343	0.0921%	9,223	(12,119)	-	21,343
4 Culver City	66,090	1.4398%	144,187	78,097	78,097	144,187
5 Foothill	327,193	6.1185%	612,729	285,536	285,536	612,729
6 Gardena	76,732	1.4198%	142,184	65,452	65,452	142,184
7 La Mirada	8,102	0.0333%	3,335	(4,767)	-	8,102
8 Long Beach	371,112	6.1724%	618,127	247,015	247,015	618,127
9 Montebello	151,698	2.2487%	225,193	73,495	73,495	225,193
10 Metro Bus Ops	7,805,715	74.1778%	7,428,438	(377,277)	-	7,805,715
11 Norwalk	71,626	0.8209%	82,208	10,582	10,582	82,208
12 Redondo Beach	9,133	0.1969%	19,718	10,585	10,585	19,718
13 Santa Monica	267,091	5.4087%	541,647	274,556	274,556	541,647
14 Torrance	115,470	1.7170%	171,947	56,477	56,477	171,947
15 Sub-Total	9,304,435	100.0000%	10,014,368	709,933	1,105,232	10,409,667
<u>Eligible Operators</u>						
16 Antelope Valley	95,786	1.5372%	153,941	58,155	58,155	153,941
17 Santa Clarita	-	1.6996%	170,204	170,204	170,204	170,204
18 City of Los Angeles	-	3.1368%	314,131	314,131	314,131	314,131
19 Foothill BSCP	-	0.6951%	69,610	69,610	69,610	69,610
20 Sub-Total	95,786	7.0687%	707,886	612,100	612,100	707,886
21 Total Municipal Operators	9,400,221	107.0687%	10,722,254	1,322,033	1,717,331	11,117,552
22 SCRRRA	614,147	-	-	-	-	614,147
23 Grand Total	\$ 10,014,368	107.0687%	\$ 10,722,254	\$ 1,322,033	\$ 1,717,331	\$ 11,731,700

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

MEASURE R 20% BUS OPERATIONS AND CAPITAL ALLOCATIONS									
	20% Bus Operations						Clean Fuel Bus Capital Facilities and Rolling Stock Fund (2)		
	Proposition A Base Share %	Percentage Share	Bus Operations Allocation [A]	Regional Ridership Task Force (1)		Measure R Total Funds Available [A] - [B]	Federal Section 5307 Capital Allocation Formula Share	Allocation Amount	
				% Share	\$ Allocations [B]				
<u>Included Operators:</u>									
1	Metro Bus Ops	74.1622%	69.1102%	\$109,227,922	80.000%	\$ 560,000	\$ 108,667,922	66.5334%	\$ 6,653,343
2	Arcadia	0.0737%	0.0687%	108,524	0.0445%	311	108,213	0.1729%	17,288
3	Claremont	0.0418%	0.0389%	61,518	0.0252%	176	61,342	0.0737%	7,368
4	Commerce	0.1149%	0.1071%	169,272	0.0693%	485	168,786	0.3288%	32,878
5	Culver City	1.4285%	1.3312%	2,103,977	0.8619%	6,033	2,097,944	1.4098%	140,984
6	Foothill	6.3844%	5.9494%	9,403,032	3.8521%	26,964	9,376,067	8.1644%	816,437
7	Gardena	1.4130%	1.3167%	2,081,101	0.8525%	5,968	2,075,133	1.2106%	121,059
8	La Mirada	0.0308%	0.0287%	45,313	0.0186%	130	45,183	0.0666%	6,658
9	Long Beach	6.1868%	5.7653%	9,112,057	3.7329%	26,130	9,085,927	6.1317%	613,168
10	Montebello	2.1908%	2.0415%	3,226,595	1.3218%	9,253	3,217,342	1.9011%	190,109
11	Norwalk	0.7963%	0.7420%	1,172,798	0.4804%	3,363	1,169,435	0.5565%	55,649
12	Redondo Beach DR	0.0060%	0.0056%	8,803	0.0036%	25	8,778	0.2700%	27,001
13	Redondo Beach MB	0.1869%	0.1741%	275,236	0.1128%	789	274,447		
14	Santa Monica	5.2920%	4.9315%	7,794,165	3.1930%	22,351	7,771,814	4.5485%	454,854
15	Torrance	1.6921%	1.5768%	2,492,105	1.0209%	7,146	2,484,959	1.3450%	134,498
<u>Eligible Operators:</u>									
16	Antelope Valley	1.6222%	1.5117%	2,389,184	0.9788%	6,851	2,382,333	1.8672%	186,720
17	Santa Clarita	1.6455%	1.5334%	2,423,461	0.9928%	6,950	2,416,512	1.8499%	184,995
18	LADOT Local	2.1924%	2.0430%	3,228,985	1.3228%	9,260	3,219,726	3.5699%	356,991
19	LADOT Express	1.1236%	1.0471%	1,654,877	0.6779%	4,746	1,650,131		
20	Foothill BSCP	0.7264%	0.6769%	1,069,880	0.4383%	3,068	1,066,812		
21									
22	Total Municipal Operators	33.1478%	30.8898%	48,820,884	20.0000%	140,000	48,680,884	33.4666%	3,346,657
23	Total Funds Allocated	107.3100%	100.0000%	\$158,048,806	100.0000%	\$ 700,000	\$ 157,348,806	100.0000%	\$ 10,000,000

Notes:

(1) Municipal operators' Measure R Fund reduces by \$140,000 per agreement by transit operators to contribute toward Regional Ridership Task Force consulting study.

(2) Clean Fuel Capital Facilities and Rolling Stock Funds of \$10M are allocated every even fiscal year.

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

MEASURE M 20% TRANSIT OPERATIONS (Metro and Municipal Providers)			
Operators	Proposition A Base Share %	Measure M ⁽¹⁾ Percentage Share	\$ Allocation ⁽²⁾
<u>Included Operators:</u>			
1 Metro Bus Ops	74.1622%	69.1102%	\$ 103,730,543
2 Arcadia	0.0737%	0.0687%	103,062
3 Claremont	0.0418%	0.0389%	58,422
4 Commerce	0.1149%	0.1071%	160,753
5 Culver City	1.4285%	1.3312%	1,998,085
6 Foothill	6.3844%	5.9494%	8,929,782
7 Gardena	1.4130%	1.3167%	1,976,360
8 La Mirada	0.0308%	0.0287%	43,032
9 Long Beach	6.1868%	5.7653%	8,653,452
10 Montebello	2.1908%	2.0415%	3,064,202
11 Norwalk	0.7963%	0.7420%	1,113,772
12 Redondo Beach DR	0.0060%	0.0056%	8,360
13 Redondo Beach MB	0.1869%	0.1741%	261,384
14 Santa Monica	5.2920%	4.9315%	7,401,889
15 Torrance	1.6921%	1.5768%	2,366,679
<u>Eligible Operators:</u>			
16 Antelope Valley	1.6222%	1.5117%	2,268,938
17 Santa Clarita	1.6455%	1.5334%	2,301,490
18 LADOT Local	2.1924%	2.0430%	3,066,472
19 LADOT Express	1.1236%	1.0471%	1,571,588
20 Foothill BSCP	0.7264%	0.6769%	1,016,034
21 Total Municipal Operators	33.1478%	30.8898%	46,363,757
22 Total Funds Allocated	107.3100%	100.0000%	\$ 150,094,300

Notes:

(1) Measure M % share is equal to Measure R % share.

(2) Measure M revenue represents 95% of the estimated annual receipts. This is the amount expected to be collected in FY18. The remaining 5% will carryover to FY19.

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

TIER 2 OPERATORS ESTIMATED FUNDING LEVELS							
% Shares Calculation		Vehicle Service Miles	Passenger Revenue	Base Fare	Fare Units (1)	50% VSM + 50% Fare Units	% Share
1	LADOT Community Dash	2,769,802	\$ 3,826,413	\$ 0.50	16,808,232	9,789,017	4.6413%
2	Glendale	615,122	932,067	1.00	2,187,836	1,401,479	0.6645%
3	Pasadena	877,792	815,221	0.75	1,086,961	982,377	0.4658%
4	Burbank	313,510	266,054	1.00	266,054	289,782	0.1374%
5	Sub-Total	4,576,226	5,839,755		20,349,083	12,462,655	5.9090%
6	Included and Eligible Operators	115,851,059	326,799,387		209,252,939	198,447,827	94.0910%
7	Total	120,427,285	\$ 332,639,142		229,602,022	210,910,482	100.0000%
			% Share	TDA Article 4 + Interest	STA Revenue Base Share + Interest	Proposition A Discretionary	Total
8	Funds Allocated to Included Operators			\$362,075,340	\$ 13,644,863	\$ 238,937,564	\$614,657,767
Formula Equivalent Calculation							
9	LADOT Community Dash	4.6413%	\$ 16,805,052	\$ 633,301	\$ 11,089,842	\$ 28,528,195	
10	Glendale	0.6645%	2,405,954	90,669	1,587,716	4,084,339	
11	Pasadena	0.4658%	1,686,471	63,555	1,112,921	2,862,947	
12	Burbank	0.1374%	497,476	18,747	328,290	844,514	
13	Total	5.9090%	\$ 21,394,953	\$ 806,272	\$ 14,118,769	\$ 36,319,994	
14	Funds Allocated to Tier 2 Operators		16.52% (2)	\$ 3,534,409	\$ 133,195	\$ 2,332,396	\$ 6,000,000
Actual Allocation							
15	LADOT Community Dash		\$ 2,776,165	\$ 104,620	\$ 1,832,023	\$ 4,712,808	
16	Glendale		397,459	14,978	262,288	674,726	
17	Pasadena		278,602	10,499	183,853	472,954	
18	Burbank		82,182	3,097	54,233	139,512	
19	Total		\$ 3,534,409	\$ 133,195	\$ 2,332,396	\$ 6,000,000	

20	LADOT Community Dash	\$ 1,164,575	\$ (192,386)	\$ 972,189
21	Glendale	319,424	(52,768)	266,656
22	Pasadena	280,426	(46,326)	234,100
23	Burbank	131,817	(21,776)	110,041
24	Total	\$ 1,896,242	\$ (313,256)	\$ 1,582,986

Notes:

(1) Funding Stability policy is applied on LADOT and Glendale Fare Units.

(2) This percentage is applied as a deduction from Tier 2 operators' Incentive Programs allocation.

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

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Bus Transit Subsidies
FEDERAL FORMULA GRANTS

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

FEDERAL FORMULA GRANTS REVENUE ESTIMATES			
Los Angeles County Share of Los Angeles-Long Beach-Anaheim UZA			
1	<u>Section 5307 Urbanized Area Formula Grants:</u>		
	Estimated Revenue		\$ 238,529,742
2		Estimated Revenue	\$ 238,529,742
3		Off the Top:	
4		1% Enhancement Allocation	(2,385,297)
			<u>\$ 236,144,445</u>
5		85% Formula Allocation	\$ 200,722,778
6		15% Discretionary Allocation	35,421,667
7			<u>\$ 236,144,445</u>
8	<u>Section 5339 Bus and Bus Facilities Formula Grants:</u>		
	Estimated Revenue		\$ 22,023,612
	<u>Section 5337 State of Good Repair (LA County Share of LA UZA 2):</u>		
	High Intensity Fixed Guideway:		
9	Directional Route Miles (DRM) Generated	\$ 28,966,276	
10	Vehicle Revenue Miles (VRM) Generated	50,557,892	
11		<u>\$ 79,524,168</u>	
	High Intensity Motorbus:		
12	Directional Route Miles (DRM) Generated	\$ 2,254,326	
13	Vehicle Revenue Miles (VRM) Generated	2,489,280	
14		<u>\$ 4,743,606</u>	
15	Section 5337 State of Good Repair Total Estimated Revenue		
			\$ 84,267,774
16	Total Federal Formula Funds Available		
			\$ 344,821,128

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

FEDERAL FORMULA GRANTS										
	Urbanized Formula Program (Section 5307)			Bus & Bus Facilities (Section 5339)			State of Good Repair (Section 5337)			(1) Total Federal Funds Allocation
	FY18 (1)(2) \$Allocation	Fund Exchanges	Adjusted \$ Allocation	FY18 \$Allocation	Fund Exchange	Adjusted \$ Allocation	FY18 \$Allocation	Fund Exchange	Adjusted \$ Allocation	
Included Operators:										
1 Metro Bus Ops	\$ 156,441,902	\$ (4,961,620)	\$ 151,480,282	\$ 15,107,385	\$ 6,916,227	\$ 22,023,612	\$ 79,922,381	\$ 4,345,393	\$ 84,267,774	\$ 257,771,668
Municipal Operators:										
2 Arcadia	357,779	39,256	397,035	39,256	(39,256)	-	-	-	-	397,035
3 Claremont	152,485	16,731	169,216	16,731	(16,731)	-	-	-	-	169,216
4 Commerce	680,391	74,654	755,045	74,654	(74,654)	-	-	-	-	755,045
5 Culver City	5,191,349	320,125	5,511,474	320,125	(320,125)	-	-	-	-	5,511,474
6 Foothill Transit	22,204,481	4,781,136	26,985,617	1,853,840	(1,853,840)	-	2,927,296	(2,927,296)	-	26,985,617
7 Gardena	4,622,061	274,881	4,896,942	274,881	(274,881)	-	-	-	-	4,896,942
8 La Mirada	137,790	15,119	152,909	15,119	(15,119)	-	-	-	-	152,909
9 Long Beach	12,989,273	1,248,914	14,238,187	1,392,287	(1,392,287)	-	156,627	(156,627)	-	14,238,187
10 Montebello	3,934,240	431,671	4,365,911	431,671	(431,671)	-	-	-	-	4,365,911
11 Norwalk	1,816,037	126,359	1,942,397	126,359	(126,359)	-	-	-	-	1,942,397
12 Redondo Beach	558,777	61,310	620,087	61,310	(61,310)	-	-	-	-	620,087
13 Santa Monica	13,994,252	(4,803,381)	9,190,870	1,032,812	(1,032,812)	-	163,807	(163,807)	-	9,190,870
14 Torrance	2,799,390	305,398	3,104,788	305,398	(305,398)	-	-	-	-	3,104,788
15 Sub-Total	69,438,306	2,892,172	72,330,478	5,944,442	(5,944,442)	-	3,247,730	(3,247,730)	-	72,330,478
Eligible Operators:										
16 Antelope Valley	161,164	486,527	647,691	17,683	(17,683)	-	468,844	(468,844)	-	647,691
17 LADOT	11,579,021	1,439,419	13,018,440	810,599	(810,599)	-	628,819	(628,819)	-	13,018,440
18 Santa Clarita	1,307,878	143,502	1,451,380	143,502	(143,502)	-	-	-	-	1,451,380
19 Foothill BSCP	-	-	-	-	-	-	-	-	-	-
20 Sub-Total	13,048,063	2,069,448	15,117,511	971,785	(971,785)	-	1,097,663	(1,097,663)	-	15,117,511
Tier 2 Operators:										
21 LADOT Community Dash	-	-	-	-	-	-	-	-	-	-
22 Glendale	-	-	-	-	-	-	-	-	-	-
23 Pasadena	-	-	-	-	-	-	-	-	-	-
24 Burbank	-	-	-	-	-	-	-	-	-	-
25 Sub-Total	-	-	-	-	-	-	-	-	-	-
26 Lynwood Trolley	-	-	-	-	-	-	-	-	-	-
27 Total Excluding Metro	82,486,368	4,961,620	87,447,989	6,916,227	(6,916,227)	-	4,345,393	(4,345,393)	-	87,447,989
28 Grand Total	\$ 238,928,271	\$ -	\$ 238,928,271	\$ 22,023,612	\$ -	\$ 22,023,612	\$ 84,267,774	\$ -	\$ 84,267,774	\$ 345,219,657

Note:

(1) Remaining FY17 fund balance of \$398,527 was added to the FY18 Section 5307 (1% Enhancement fund) for award distribution to Municipal Operators

(2) Totals may not add due to rounding.

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018
FEDERAL SECTION 5307 CAPITAL ALLOCATION**

ATTACHMENT A

CAPITAL ALLOCATION % SHARE CALCULATION												
OPERATOR	MILEAGE CALCULATION				ACTIVE FLEET CALCULATION							
	Local Vehicle Miles [Input]	Express Vehicle Miles [Input]	Total Miles Weighted 60% Local/ 40% Express	1/3 Weight	Active Fleet (1) [Input]	Peak Bus Fixed Route (2) [Input]	Allowable Peak Bus (Peak+20%)	DAR Seats (3) [Input]	Bus Eqvt. (44 Seats per Bus)	Total Active Vehicle	1/3 Weigh	
1	Antelope Valley	2,474,234	1,349,547	2,024,359	0.8130%	75	63	75.0	0	0.0	75.0	0.6595%
2	Arcadia DR	219,648	-	131,789	0.0529%	0	0	0.0	184	4.2	4.2	0.0368%
3	Arcadia MB	23,145	-	13,887	0.0056%	8	6	7.2	0	0.0	7.2	0.0633%
4	Claremont	79,500	-	47,700	0.0192%	0	0	0.0	252	5.7	5.7	0.0504%
5	Commerce	470,906	-	282,544	0.1135%	18	14	16.8	50	1.1	17.9	0.1577%
6	Culver City	1,817,994	-	1,090,796	0.4381%	54	44	52.8	0	0.0	52.8	0.4643%
7	Foothill	8,977,098	7,014,098	8,191,898	3.2898%	370	318	370.0	0	0.0	370.0	3.2533%
8	Gardena	1,715,379	-	1,029,227	0.4133%	58	43	51.6	0	0.0	51.6	0.4537%
9	LADOT	3,080,972	2,557,008	2,871,386	1.1531%	196	162	194.4	0	0.0	194.4	1.7093%
10	La Mirada	82,163	-	49,298	0.0198%	0	0	0.0	208	4.7	4.7	0.0416%
11	Long Beach	8,055,864	-	4,833,518	1.9411%	261	197	236.4	40	0.9	237.3	2.0866%
12	Montebello	2,485,000	56,000	1,513,400	0.6078%	72	67	72.0	40	0.9	72.9	0.6411%
13	Metro Bus Ops.	85,960,000	5,748,000	53,875,200	21.6357%	2,380	1,935	2,322.0	0	0.0	2,322.0	20.4169%
14	Norwalk	908,952	-	545,371	0.2190%	34	19	22.8	0	0.0	22.8	0.2005%
15	Redondo Beach	445,125	-	267,075	0.1073%	14	10	12.0	75	1.7	13.7	0.1205%
16	Santa Clarita	2,258,772	1,098,290	1,794,579	0.7207%	82	68	81.6	0	0.0	81.6	0.7175%
17	Santa Monica	5,122,000	534,000	3,286,800	1.3199%	200	167	200.0	0	0.0	200.0	1.7586%
18	Torrance	1,541,100	574,900	1,154,620	0.4637%	56	48	56.0	48	1.1	57.1	0.5020%
19	TOTAL	125,717,852	18,931,843	83,003,448	33.3333%	3,878	3,161	3,770.6	897	20.4	3,791.0	33.3333%

Notes:

Include only MTA Funded Programs:

(1) Source: NTD Report Form A-30 "Vehicle Inventory Report (Mode MB), Number of Active Vehicles in Fleet". LADOT's total active vehicles is reported separately.

(2) Source: NTD Report Form S-10 "Service Non-Rail (Mode MB), Vehicles Operated in Annual Maximum Service". LADOT's figure is from TPM excluding Community Dash.

(3) Source: NTD Report Form A-30 "Vehicle Inventory Report (Mode DR), Seating Capacity". Redondo Beach's Seating Capacity is apportioned between FAP and non-FAP vehicles.

**Los Angeles County Metropolitan Transportation Authority
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ATTACHMENT A

CAPITAL ALLOCATION % SHARE CALCULATION (Continued)									
OPERATOR	FARE UNITS				UNLINKED PASSENGERS		Gross Formula Share	Re-Allocate AVTA And Santa Clarita's Non-LA2 UZA Share	LA UZA 2 Net Formula Share
	Passenger Revenue [Input]	Base Fare \$ [Input]	Fare Units	1/2 of 1/3 Weight	Unlinked Passengers [Input]	1/2 of 1/3 Weight			
1 Antelope Valley	\$5,218,443	\$ 1.50	3,478,962	0.2736%	3,033,716	0.1212%	1.8672%	-1.7869%	0.0803%
2 Arcadia DR	63,520	0.50	127,040	0.0100%	100,785	0.0040%	0.1037%	0.0032%	0.1069%
3 Arcadia MB	-	-	0	0.0000%	7,220	0.0003%	0.0692%	0.0021%	0.0713%
4 Claremont	73,100	2.50	29,240	0.0023%	46,800	0.0019%	0.0737%	0.0023%	0.0760%
5 Commerce (1)	-	-	420,620	0.0331%	613,880	0.0245%	0.3288%	0.0102%	0.3390%
6 Culver City	3,582,271	1.00	3,582,271	0.2817%	5,653,192	0.2258%	1.4098%	0.0437%	1.4536%
7 Foothill	17,144,739	1.25	13,715,791	1.0787%	13,584,135	0.5426%	8.1644%	0.2531%	8.4175%
8 Gardena	2,546,493	1.00	2,546,493	0.2003%	3,587,188	0.1433%	1.2106%	0.0375%	1.2481%
9 LADOT	6,622,904	1.50	4,415,269	0.3472%	9,018,680	0.3602%	3.5699%	0.1107%	3.6806%
10 La Mirada	40,235	1.00	40,235	0.0032%	51,451	0.0021%	0.0666%	0.0021%	0.0686%
11 Long Beach	16,729,366	1.25	13,383,493	1.0525%	26,323,460	1.0514%	6.1317%	0.1901%	6.3218%
12 Montebello	5,162,000	1.10	4,692,727	0.3691%	7,090,000	0.2832%	1.9011%	0.0589%	1.9600%
13 Metro Bus Ops.	257,740,000	1.75	147,280,000	11.5827%	322,912,000	12.8981%	66.5334%	2.0629%	68.5963%
14 Norwalk	1,302,455	1.25	1,041,964	0.0819%	1,378,352	0.0551%	0.5565%	0.0173%	0.5737%
15 Redondo Beach	336,119	1.00	336,119	0.0264%	396,096	0.0158%	0.2700%	0.0084%	0.2784%
16 Santa Clarita	3,676,013	1.00	3,676,013	0.2891%	3,071,174	0.1227%	1.8499%	-1.1984%	0.6516%
17 Santa Monica	12,841,000	1.25	10,272,800	0.8079%	16,577,000	0.6621%	4.5485%	0.1410%	4.6896%
18 Torrance	2,886,000	1.00	2,886,000	0.2270%	3,814,000	0.1523%	1.3450%	0.0417%	1.3867%
19 TOTAL	\$335,964,658		211,925,038	16.6667%	417,259,129	16.6667%	100.0000%	0.0000%	100.0000%
Note:									
(1) Commerce Fare Units are calculated as follows: ((Total Fare Units w/out MTA and Commerce) / (Total Unlinked Passengers w/out MTA and Commerce)) * Commerce's Unlinked Passengers.									
FORM FFA10, SECTION 9 STATISTICS PASSENGER MILES IS USED TO CALCULATE AVTA AND SANTA CLARITA'S RE-ALLOCATION OF CAPITAL MONIES.									
				ANTELOPE VALLEY			SANTA CLARITA		
				Passenger Miles	%	Re-Allocated Share	Passenger Miles	%	Re-Allocated Share
20 Non-LA 2 UZA (AV 123 for AVTA, AV 176 for Santa Clarita)				57,860,492	95.6999%	1.7869%	13,377,559	64.7782%	1.1984%
21 UZA number LA 2				2,599,869	4.3001%	0.0803%	7,273,770	35.2218%	0.6516%
22 Total				60,460,361	100.0000%	1.8672%	20,651,329	100.0000%	1.8499%

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FEDERAL SECTION 5307 CAPITAL ALLOCATION (Estimated - to be Adjusted to Actual apportionment)										
OPERATOR	LA UZA 2 NET FORMULA SHARE	85% FORMULA ALLOCATION	1% ENHANCEMENT ALLOCATION (1)		15% DISCRETIONARY ALLOCATION		TOTAL	TDA Fund Exchange	\$5339/\$5337 Fund Exchange	Total Funds Available
			Project Title	Amount	Project Title	Amount				
1 Antelope Valley	0.0803%	\$ 161,164					\$ 161,164		\$ 486,527	\$ 647,691
2 Arcadia	0.1782%	357,779					357,779		39,256	397,035
3 Claremont	0.0760%	152,485					152,485		16,731	169,216
4 Commerce	0.3390%	680,391					680,391		74,654	755,045
5 Culver City	1.4536%	2,917,617	Bus Stops Impvts	650,000	Facility Capacity Enhancement	1,392,316	5,191,349		320,125	5,511,474
			Facility Capacity Enhancements (ATI Elements)	231,416						
6 Foothill	8.4175%	16,895,863			Bus Repl (25) 40' CNG	5,308,618	22,204,481		4,781,136	26,985,617
7 Gardena	1.2481%	2,505,261			Facility Infrastructure Upgrades	2,116,800	4,622,061		274,881	4,896,942
8 LADOT	3.6806%	7,387,788	Advanced Traveler Information	418,404	Electric Bus Repl - (19) 30' Electric	3,772,829	11,579,021		1,439,419	13,018,440
9 La Mirada	0.0686%	137,790					137,790		15,119	152,909
10 Long Beach	6.3218%	12,689,273			Regional Training	300,000	12,989,273	(2) (300,000)	1,548,914	14,238,187
11 Montebello	1.9600%	3,934,240					3,934,240		431,671	4,365,911
12 Metro Bus Ops.	68.5963%	137,688,419	Rosa Park/Willow Brook Station impvt	1,192,649	Bus Repl (600) 40' CNG	17,560,834	156,441,902	(2),(3) 6,300,000	(11,261,620)	151,480,282
13 Norwalk	0.5737%	1,151,637	Phase 2 Norwalk Transportation Yard (ATI Elements)	231,416	Phase 2 Norwalk Transportation Yard	389,044	1,816,037		126,359	1,942,397
			NTS Bus Shelter Solar Lighting Project	43,940						
14 Redondo Beach	0.2784%	558,777					558,777		61,310	620,087
15 Santa Clarita	0.6516%	1,307,878					1,307,878		143,502	1,451,380
16 Santa Monica	4.6896%	9,413,025			Bus Repl (14) 40' CNG	4,581,227	13,994,252	(3) (6,000,000)	1,196,619	9,190,870
17 Torrance	1.3867%	2,783,390	Solar Powered Self Compacting Trash Receptacles	16,000			2,799,390		305,398	3,104,788
18 Unallocated							-		-	-
19 TOTAL	100.0000%	\$ 200,722,778		\$ 2,783,825		\$ 35,421,668	\$ 238,928,271	\$ -	\$ (0)	\$ 238,928,271

Notes:

- (1) Remaining FY17 fund balance of \$398,527 was added to the FY18 1% Enhancement fund for award distribution to Municipal Operators
 (2) Funds allocated to Southern California Regional Transit Training Consortium (SCRTTC) through Long Beach Transit is exchanged with Metro's TDA share.
 (3) Santa Monica's formula share of \$6M is exchanged with Metro's TDA share.

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ATTACHMENT A

FEDERAL SECTION 5339 - BUS AND BUS CAPITAL ALLOCATION (Estimated - to be Adjusted to Actual apportionment)				
OPERATOR	LA UZA 2 NET FORMULA SHARE	Net Formula Share	Fund Exchange	Net Funds Available
1 Antelope Valley	0.0803%	\$ 17,683	\$ (17,683)	\$ -
2 Arcadia	0.1782%	39,256	(39,256)	-
3 Claremont	0.0760%	16,731	(16,731)	-
4 Commerce	0.3390%	74,654	(74,654)	-
5 Culver City	1.4536%	320,125	(320,125)	-
6 Foothill	8.4175%	1,853,840	(1,853,840)	-
7 Gardena	1.2481%	274,881	(274,881)	-
8 LADOT	3.6806%	810,599	(810,599)	-
9 La Mirada	0.0686%	15,119	(15,119)	-
10 Long Beach	6.3218%	1,392,287	(1,392,287)	-
11 Montebello	1.9600%	431,671	(431,671)	-
12 Metro Bus Ops.	68.5963%	15,107,385	6,916,227	22,023,612
13 Norwalk	0.5737%	126,359	(126,359)	-
14 Redondo Beach	0.2784%	61,310	(61,310)	-
15 Santa Clarita	0.6516%	143,502	(143,502)	-
16 Santa Monica	4.6896%	1,032,812	(1,032,812)	-
17 Torrance	1.3867%	305,398	(305,398)	-
18 TOTAL	100.0000%	\$ 22,023,612	\$ -	\$ 22,023,612

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FEDERAL SECTION 5337 - STATE OF GOOD REPAIR									
(Estimated - to be Adjusted to Actual apportionment)									
LOS ANGELES COUNTY SHARE (UZA 2)	Directional Route Miles (DRM) Allocation			Vehicle Revenue Miles (VRM) Allocation			Total \$ Allocation	Fund Exchange	Net Funds Available
	DRM	DRM%	DRM \$Allocation	VRM	VRM%	VRM \$Allocation			
High Intensity Fixed Guideway:									
1 Metro (Including Metrolink)	451.5	99.757%	\$ 28,895,876	25,117,623	98.328%	\$ 49,712,433	\$ 78,608,310	\$ 915,858	\$ 79,524,168
2 Long Beach Transit	0.5	0.110%	32,000	62,969	0.247%	124,627	156,627	(156,627)	-
3 Santa Monica	0.6	0.133%	38,400	63,363	0.248%	125,407	163,807	(163,807)	-
4 Foothill Transit	-	0.000%	-	300,843	1.178%	595,424	595,424	(595,424)	-
5 Sub-total	452.6	100.000%	28,966,276	25,544,798	100.000%	50,557,892	79,524,168	-	79,524,168
High Intensity Motorbus:									
6 Antelope Valley	23.6	15.003%	338,221	110,877	5.247%	130,624	468,844	(468,844)	-
7 Foothill	39.4	25.048%	564,656	1,500,060	70.993%	1,767,215	2,331,872	(2,331,872)	-
8 Gardena		0.000%	-	-	0.000%	-	-	-	-
9 LADOT	35.1	22.314%	503,031	106,772	5.053%	125,788	628,819	(628,819)	-
10 Metro Bus Ops.	59.2	37.635%	848,418	395,259	18.706%	465,653	1,314,071	3,429,535	4,743,606
11 Sub-total	157.3	100.00%	2,254,326	2,112,968	100.000%	2,489,280	4,743,606	-	4,743,606
12 Total LA County Share - UZA 2	609.90		\$ 31,220,602	27,657,766	200.000%	\$ 53,047,172	\$ 84,267,774	\$ -	\$ 84,267,774

LOCAL SUBSIDIES

**Los Angeles County Metropolitan Transportation Authority
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ATTACHMENT A

PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS		
(In Order of Priority)		
PRIORITY I: EXISTING SUB-REGIONAL PARATRANSIT PROJECTS:		FY18 Allocation
1	Agoura Hills	\$ 64,779
2	Antelope Valley, Elderly & Disabled	399,700
3	Beverly Hills Taxi & Lift Van	25,990
4	Culver City Community Transit and LA County	61,557
5	Gardena, Hawthorne and LA County	163,274
6	Glendale Paratransit and La Canada Flintridge	236,693
7	Inglewood Transit and LA County	196,539
8	LA County (Whittier et al)	181,091
9	LA County (Willowbrook)	49,506
10	Los Angeles Taxi & Lift Van, City Ride	355,451
11	Los Angeles Dial-a-Ride, City Ride	1,183,143
12	Monrovia D.A.R. and LA County	151,846
13	Palos Verdes PTA D.A.R.	47,562
14	Palos Verdes PTA - PV Transit	380,455
15	Pasadena Community Transit, San Marino and LA County	378,197
16	Pomona Valley TA - E&D (Get About)	694,827
17	Pomona Valley TA General Public (VC)	86,959
18	Redondo Beach Community Transit and Hermosa Beach	69,511
19	Santa Clarita D.A.R.	651,738
20	West Hollywood (DAR)	286,543
21	West Hollywood (Taxi)	89,235
22	Whittier (DAR)	266,022
23	Sub-total	\$ 6,020,614
PRIORITY II: SERVICES THAT RECEIVE GROWTH OVER INFLATION		
24	City of L.A. - Bus Service Continuation Project/DASH/Central City Shuttle	\$ -
25	Santa Clarita - Local Fixed Route	-
26	Antelope Valley - Local Fixed Route	-
27	Foothill - Bus Service Continuation Project	-
28	Sub-total	\$ -
29	PRIORITY III: APPROVED EXISTING EXPANDED PARATRANSIT	\$ -
30	PRIORITY IV: APPROVED NEW EXPANDED PARATRANSIT SERVICES	\$ -

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PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS (Continued)				
(In Order of Priority)				
Priority V: VOLUNTARY NTD DATA REPORTING:				
FY16 NTD Report Year	Estimate	Tier 2 Deduction (1)	FY18 Net Allocation	
31 City of Alhambra (MB and DR)	\$ 121,747		\$ 121,747	
32 City of Artesia (DR)	6,634		6,634	
33 City of Azusa (DR)	42,545		42,545	
34 City of Baldwin Park (MB and DR)	98,028		98,028	
35 City of Bell (MB/DR)	28,307		28,307	
36 City of Bell Gardens (MB and DR)	62,607		62,607	
37 City of Bellflower (MB and DR)	45,760		45,760	
38 City of Burbank (MB)*	131,817	21,776	110,041	
39 City of Carson (MB and DT)	190,320		190,320	
40 City of Cerritos (MB)	96,041		96,041	
41 City of Compton (MB)	59,090		59,090	
42 City of Covina (DR)	24,370		24,370	
43 City of Cudahy (MB and DR)	20,232		20,232	
44 City of Downey (MB and DR)	93,537		93,537	
45 City of Duarte (MB)	33,231		33,231	
46 City of El Monte (MB and DR)	149,205		149,205	
47 City of Glendora (MB and DR)	65,830		65,830	
48 City of Glendale (MB)*	319,424	52,768	266,656	
49 City of Huntington Park (MB)	45,339		45,339	
50 City of Los Angeles -- Community DASH* (MB)	1,164,575	192,386	972,189	
51 City of Los Angeles -- Department of Aging (DR)	195,587		195,587	
52 LA County Dept. of Public Works -- Avocado Heights (MB)	15,534		15,534	
53 LA County Dept. of Public Works -- East Valinda (MB)	21,876		21,876	
54 LA County Dept. of Public Works -- East LA (MB and DR)	140,693		140,693	
55 LA County Dept. of Public Works -- Willowbrook (MB)	34,889		34,889	
56 LA County Dept. of Public Works -- King Medical (MB)	7,671		7,671	
57 LA County Dept. of Public Works -- Athens (MB)	15,797		15,797	
58 LA County Dept. of Public Works -- Lennnox (MB)	12,967		12,967	
59 LA County Dept. of Public Works -- South Whittier (MB)	66,158		66,158	
60 City of Lawndale (MB)	35,163		35,163	
61 City of Lynwood (MB)	59,615		59,615	
62 City of Malibu (DT)	23,183		23,183	
63 City of Manhattan Beach (DR)	19,414		19,414	
64 City of Maywood (DR)	17,077		17,077	
65 City of Monterey Park (MB and DR)	104,404		104,404	
66 City of Pasadena (MB)*	280,426	46,326	234,100	
67 City of Pico Rivera (DR)	17,698		17,698	
68 City of Rosemead (MB and DR)	73,494		73,494	
69 City of Santa fe Springs (DR)	6,250		6,250	
70 City of South Gate (DT and MB)	146,031		146,031	
71 City of South Pasadena (DR)	12,056		12,056	
72 City of West Covina (MB and DR)	104,459		104,459	
73 City of West Hollywood (MB)	38,274		38,274	
74 Sub-Total	\$ 4,247,355	\$ 313,256	\$ 3,934,099	

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PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS (Continued) (In Order of Priority)			
PRIORITY VI: SPECIAL DEMONSTRATION PROJECTS			
75	Avalon Ferry Subsidy	\$	650,000
76	Avalon Transit Services (Jitney and Dial-a-Ride) (2)		300,000
77	Hollywood Bowl Shuttle Service		1,057,000
78	Sub-total	\$	2,007,000
79	Total Expenditures	\$	11,961,713
80	Reserves for contingencies (3)		3,278,880
81	Sub-total		15,240,593
82	Total Estimated Revenue		15,240,593
83	Surplus (Deficit)	\$	-

NOTES:

(1) Tier 2 Operators' shares have been reduced by % of GOI Funding per Tier 2 Operators Funding Program.

(2) At its May 18, 2017 meeting, LTSS approved to add an additional \$50,000 to Avalon Transit services.

(3) 5th Priority - locally funded systems which voluntarily reported NTD data for FY16 report year. Exact amounts TBD and may be higher, based upon actual FY18 FTA 5307 apportionment unit values.

**Los Angeles County Metropolitan Transportation Authority
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FY 18 ESTIMATES AND ALLOCATIONS OF PROPOSITION A, PROPOSITION C , MEASURE R and MEASURE M LOCAL RETURN, TDA ARTICLE 3 & 8										
LOCAL JURISDICTION	Population DOF Report 2016 data ⁽¹⁾	Population as % of County	Proposition A Local Return Estimate ⁽³⁾	Proposition C Local Return Estimate ⁽³⁾	Measure R Local Return Estimate ⁽³⁾	Measure M Local Return Estimate ⁽²⁾	TDA Article 3 Ped & Bike [A]	TDA Article 8 (S & H)		Total Allocations
								Population	Article 8 Allocation	
1 AGOURA HILLS	21,211	0.2071%	\$ 394,496	\$ 327,224	\$ 245,423	\$ 264,233	\$ 13,826		\$ -	\$ 1,245,202
2 ALHAMBRA	86,782	0.8474%	1,614,028	1,338,794	1,004,115	1,081,076	56,516			5,094,529
3 ARCADIA	57,050	0.5571%	1,061,053	880,116	660,100	710,693	37,159			3,349,120
4 ARTESIA	16,883	0.1649%	314,001	260,456	195,346	210,318	11,008			991,128
5 AVALON	3,678	0.0359%	68,406	56,741	42,556	45,818	5,000	3,678	141,320	359,841
6 AZUSA	49,485	0.4832%	920,354	763,410	572,569	616,453	32,234			2,905,019
7 BALDWIN PARK	74,738	0.7298%	1,390,026	1,152,990	864,760	931,039	48,674			4,387,489
8 BELL	36,716	0.3585%	682,868	566,421	424,824	457,385	23,920			2,155,419
9 BELLFLOWER	76,363	0.7456%	1,420,249	1,178,059	883,562	951,283	49,732			4,482,884
10 BELL GARDENS	42,952	0.4194%	798,849	662,624	496,978	535,069	27,980			2,521,501
11 BEVERLY HILLS	34,763	0.3394%	646,545	536,292	402,227	433,056	22,649			2,040,768
12 BRADBURY	1,123	0.0110%	20,886	17,325	12,994	13,990	5,000			70,194
13 BURBANK	105,110	1.0263%	1,954,904	1,621,541	1,216,181	1,309,395	68,448			6,170,469
14 CALABASAS	24,263	0.2369%	451,259	374,307	280,736	302,253	15,813			1,424,369
15 CARSON	93,993	0.9178%	1,748,143	1,450,039	1,087,551	1,170,906	61,210			5,517,849
16 CERRITOS	49,412	0.4825%	918,996	762,283	571,724	615,544	32,186			2,900,734
17 CLAREMONT	36,218	0.3536%	673,606	558,738	419,062	451,181	23,596			2,126,184
18 COMMERCE	13,127	0.1282%	244,144	202,511	151,887	163,528	8,563			770,633
19 COMPTON	101,226	0.9884%	1,882,667	1,561,623	1,171,240	1,261,010	65,919			5,942,460
20 COVINA	49,291	0.4813%	916,746	760,417	570,324	614,036	32,107			2,893,630
21 CUDAHY	24,602	0.2402%	457,564	379,537	284,659	306,476	16,033			1,444,270
22 CULVER CITY	40,448	0.3949%	752,278	623,995	468,006	503,876	26,350			2,374,505
23 DIAMOND BAR	57,081	0.5574%	1,061,630	880,594	660,459	711,079	37,179			3,350,940
24 DOWNEY	114,181	1.1149%	2,123,612	1,761,481	1,321,137	1,422,396	74,354			6,702,979
25 DUARTE	22,177	0.2165%	412,462	342,127	256,600	276,267	14,455			1,301,911
26 EL MONTE	113,885	1.1120%	2,118,107	1,756,914	1,317,712	1,418,708	74,161			6,685,603
27 EL SEGUNDO	16,646	0.1625%	309,593	256,799	192,603	207,365	10,854			977,215
28 GARDENA	60,785	0.5935%	1,130,519	937,736	703,316	757,222	39,590			3,568,382
29 GLENDALE	201,668	1.9692%	3,750,752	3,111,150	2,333,410	2,512,254	131,312			11,838,878
30 GLEN DORA	52,362	0.5113%	973,862	807,793	605,857	652,293	34,107			3,073,913
31 HAWAIIAN GARDENS	14,926	0.1457%	277,603	230,265	172,702	185,939	9,734			876,243
32 HAWTHORNE	88,003	0.8593%	1,636,737	1,357,630	1,018,243	1,096,286	57,311			5,166,207
33 HERMOSA BEACH	19,801	0.1933%	368,272	305,472	229,108	246,668	12,908			1,162,428
34 HIDDEN HILLS	1,872	0.0183%	34,817	28,880	21,660	23,320	5,000			113,676
35 HUNTINGTON PARK	59,718	0.5831%	1,110,674	921,275	690,970	743,930	38,896			3,505,744

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

FY 18 ESTIMATES AND ALLOCATIONS OF PROPOSITION A, PROPOSITION C , MEASURE R and MEASURE M LOCAL RETURN, TDA ARTICLE 3 & 8										
LOCAL JURISDICTION	Population DOF Report 2016 data ⁽¹⁾	Population as % of County	Proposition A Local Return Estimate ⁽³⁾	Proposition C Local Return Estimate ⁽³⁾	Measure R Local Return Estimate ⁽³⁾	Measure M Local Return Estimate ⁽²⁾	TDA Article 3 Ped & Bike [A]	TDA Article 8 (S & H)		Total Allocations
								Population	Article 8 Allocation	
36 INDUSTRY [B]	441	0.0043%	8,202	6,803	5,103	5,494	-			25,602
37 INGLEWOOD	116,648	1.1390%	2,169,495	1,799,539	1,349,682	1,453,128	75,960			6,847,804
38 IRWINDALE	1,415	0.0138%	26,317	21,829	16,372	17,627	5,000			87,146
39 LA CANADA-FLINTRIDGE	20,556	0.2007%	382,314	317,119	237,844	256,074	13,399			1,206,750
40 LA HABRA HEIGHTS	5,459	0.0533%	101,530	84,216	63,164	68,005	5,000			321,915
41 LAKEWOOD	78,471	0.7662%	1,459,455	1,210,579	907,953	977,543	51,105			4,606,634
42 LA MIRADA	49,639	0.4847%	923,218	765,785	574,351	618,372	32,334			2,914,060
43 LANCASTER	157,094	1.5339%	2,921,736	2,423,503	1,817,664	1,956,979	102,292	157,094	6,036,022	15,258,196
44 LA PUENTE	40,521	0.3957%	753,636	625,121	468,850	504,785	26,398			2,378,790
45 LA VERNE	33,200	0.3242%	617,475	512,179	384,142	413,585	21,631			1,949,013
46 LAWDALE	33,496	0.3271%	622,980	516,746	387,567	417,272	21,824			1,966,389
47 LOMITA	20,290	0.1981%	377,367	313,016	234,766	252,760	13,226			1,191,135
48 LONG BEACH	484,958	4.7353%	9,019,564	7,481,491	5,611,231	6,041,304	315,747			28,469,337
49 LOS ANGELES CITY	4,030,904	39.3592%	74,969,371	62,185,120	46,639,776	50,214,484	2,977,318			236,986,070
50 LYNWOOD	72,505	0.7080%	1,348,495	1,118,541	838,923	903,222	47,221			4,256,402
51 MALIBU	12,706	0.1241%	236,314	196,017	147,015	158,283	8,289			745,918
52 MANHATTAN BEACH	35,297	0.3447%	656,477	544,530	408,406	439,708	22,996			2,072,117
53 MAYWOOD	28,219	0.2755%	524,835	435,337	326,509	351,535	18,388			1,656,605
54 MONROVIA	37,531	0.3665%	698,026	578,994	434,254	467,538	24,451			2,203,263
55 MONTEBELLO	63,924	0.6242%	1,188,900	986,161	739,636	796,325	41,634			3,752,656
56 MONTEREY PARK	61,346	0.5990%	1,140,953	946,390	709,807	764,210	39,956			3,601,316
57 NORWALK	105,292	1.0281%	1,958,289	1,624,349	1,218,286	1,311,662	68,567			6,181,153
58 PALMDALE	160,072	1.5630%	2,977,123	2,469,445	1,852,121	1,994,077	104,231	160,072	6,150,445	15,547,443
59 PALOS VERDES ESTATES	13,712	0.1339%	255,025	211,536	158,655	170,816	8,944			804,975
60 PARAMOUNT	56,400	0.5507%	1,048,964	870,088	652,579	702,596	36,736			3,310,962
61 PASADENA	141,023	1.3770%	2,622,837	2,175,575	1,631,714	1,756,776	91,829			8,278,731
62 PICO RIVERA	64,272	0.6276%	1,195,372	991,530	743,662	800,660	41,861			3,773,086
63 POMONA	155,604	1.5194%	2,894,024	2,400,517	1,800,424	1,938,417	101,322			9,134,705
64 RANCHO PALOS VERDES	43,041	0.4203%	800,504	663,997	498,008	536,178	28,038			2,526,726
65 REDONDO BEACH	69,494	0.6786%	1,292,495	1,072,090	804,084	865,713	45,260			4,079,642
66 ROLLING HILLS	1,943	0.0190%	36,137	29,975	22,482	24,205	5,000			117,798
67 ROLLING HILLS ESTATES	8,028	0.0784%	149,310	123,849	92,888	100,008	5,243			471,298
68 ROSEMEAD	55,231	0.5393%	1,027,222	852,054	639,053	688,033	35,974			3,242,336
69 SAN DIMAS	34,144	0.3334%	635,032	526,743	395,065	425,345	22,246			2,004,430
70 SAN FERNANDO	24,533	0.2395%	456,281	378,473	283,860	305,617	15,989			1,440,219

**Los Angeles County Metropolitan Transportation Authority
Transit Fund Allocations
Fiscal Year 2018**

ATTACHMENT A

FY 18 ESTIMATES AND ALLOCATIONS OF PROPOSITION A, PROPOSITION C , MEASURE R and MEASURE M LOCAL RETURN, TDA ARTICLE 3 & 8										
LOCAL JURISDICTION	Population DOF Report 2016 data ⁽¹⁾	Population as % of County	Proposition A Local Return Estimate ⁽³⁾	Proposition C Local Return Estimate ⁽³⁾	Measure R Local Return Estimate ⁽³⁾	Measure M Local Return Estimate ⁽²⁾	TDA Article 3 Ped & Bike [A]	TDA Article 8 (S & H)		Total Allocations
								Population	Article 8 Allocation	
71 SAN GABRIEL	40,424	0.3947%	751,832	623,625	467,728	503,577	26,334	219,611	8,438,112	2,373,096
72 SAN MARINO	13,566	0.1325%	252,309	209,284	156,966	168,997	8,849			796,405
73 SANTA CLARITA	219,611	2.1444%	4,084,468	3,387,959	2,541,020	2,735,777	142,994			21,330,329
74 SANTA FE SPRINGS	18,459	0.1802%	343,312	284,769	213,581	229,951	12,034			1,083,647
75 SANTA MONICA	93,640	0.9143%	1,741,578	1,444,593	1,083,466	1,166,509	60,981			5,497,126
76 SIERRA MADRE	11,013	0.1075%	204,827	169,899	127,426	137,193	7,186			646,531
77 SIGNAL HILL	11,673	0.1140%	217,102	180,080	135,063	145,415	7,616			685,277
78 SOUTH EL MONTE	20,814	0.2032%	387,112	321,099	240,829	259,288	13,567			1,221,896
79 SOUTH GATE	99,578	0.9723%	1,852,016	1,536,199	1,152,172	1,240,481	64,846			5,845,714
80 SOUTH PASADENA	26,028	0.2541%	484,086	401,536	301,158	324,241	16,962			1,527,983
81 TEMPLE CITY	36,534	0.3567%	679,483	563,613	422,718	455,118	23,802			2,144,734
82 TORRANCE	147,175	1.4371%	2,737,256	2,270,482	1,702,896	1,833,414	95,834			8,639,883
83 VERNON (C)	210	0.0021%	3,906	3,240		2,616	5,000			14,761
84 WALNUT	30,152	0.2944%	560,786	465,158	348,875	375,615	19,647			1,770,081
85 WEST COVINA	107,873	1.0533%	2,006,292	1,664,167	1,248,150	1,343,814	70,247			6,332,670
86 WEST HOLLYWOOD	35,923	0.3508%	668,119	554,187	415,649	447,506	23,404			2,108,866
87 WESTLAKE VILLAGE	8,384	0.0819%	155,931	129,341	97,007	104,443	5,475			492,197
88 WHITTIER	88,341	0.8626%	1,643,023	1,362,845	1,022,154	1,100,497	57,531			5,186,049
89 UNINCORP LA COUNTY	1,051,989	10.2720%	19,565,575	16,229,129	12,172,091	13,105,022	1,508,556			66,787,845
90 TOTAL	10,241,335	100.0000%	\$190,475,000	\$157,994,000	\$118,495,449	\$127,580,155	\$7,870,055	649,959	\$24,973,370	\$ 627,388,029

NOTES:

(1) Population estimates are based on State of California Department of Finance's 2016 population estimates. The Unincorporated Population figure for TDA Article 8 is based on 2007 estimates by Urban Research.

(2) Measure M revenue represents 95% of the estimated annual receipts. This is the amount expected to be collected in FY18. The remaining 5% will carryover to FY19.

(3) Proposition A, Proposition C, Measure R and Measure M Local Return funds are allocated their share of estimated revenues (minus administration) without carryover since payments are made based on actual revenues received.

TDA Article 3 Allocation:

(A) 15% of the estimated revenue is first awarded to the City of Los Angeles and Los Angeles County (30%-70% split) as Supplemental Allocation.

(B) City of Industry has opted out of the TDA Article 3 program indefinitely.

(C) City of Vernon has opted out of the Measure R Local Return program indefinitely.

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**Summary of Significant Information, Methodologies
& Assumptions for Revenue Estimates**

- Sales tax revenue estimate is 2.6% over FY2017 budget based upon review of several economic forecasts.
- Revenue for Measure M's inaugural year is estimated at 95 percent of the Proposition A, C and Measure R revenues. This is based on past history of new sales tax ordinance receipts in the first year.
- Consumer price index (CPI) of 1.75% represents a composite index from several economic forecasting sources and is applied to Proposition A Discretionary program for Included Operators, Transit Service Enhancement (TSE), Bus Service Improvement Program (BSIP), and Discretionary Base Restructuring program. Municipal Operators Service Improvement Program (MOSIP) receives 3% increase from FY2017 allocation.
- Proposition A 95% of 40% growth over inflation (GOI) revenue of \$50.6 million is used to fund formula equivalents for Eligible and Tier 2 operators.
- Proposition 1B PTMISEA Bridge funding allocation represents the 1st of three installments of FY2015 funding allocation.
- Proposition 1B Security Bridge funding allocations are based on FY2015 funding allocation.
- Federal formula grants (urbanized Formula Section 5307, Bus and Bus Facilities Section 5339 and State of Good Repair Section 5337) are presented for budgetary purposes only and will be adjusted upon receipt of the final apportionments.
- Federal Sections 5307 and 5339 are calculated using the Capital Allocation Procedure (CAP) as adopted by the Bus Operations Subcommittee (BOS). Section 5337 is calculated using the same formula used by the Federal Transit Administration (FTA) based on directional route miles and vehicle revenue miles. Estimates are based on FY2018 estimated revenues. Operators' shares of sections 5339 and 5337 will be exchanged with Metro's share of section 5307 allocation.

Bus Transit Subsidies (\$1,079.0M)

Formula Allocation Procedure (\$653.7M)

Allocations of transit subsidy funds (STA, TDA Article 4, and Proposition A 95% of 40% Discretionary) are based on the Formula Allocation Procedure (FAP) that was adopted by the Los Angeles County Metropolitan Transportation Authority (LACMTA) Board of Directors and legislated through SB 1755 (Calderon – 1996). Los Angeles County Included and Eligible Operators submitted their FY2016 Transit Performance Measures (TPM) data for the FY2018 FAP calculations. This data was validated and used in the calculations. The FAP as applied uses 50% of operators' vehicle service miles and 50% Of operators' fare units. (Fare units are defined as operators' passenger revenues divided by operators' base cash fare).

In November 2008, the Board approved a Funding Stability Policy, where operators who increase their fares will have their fare units frozen at their level prior to the fare increase until such time that fare unit calculation based on the new higher fare becomes greater than the frozen level.

Tier 2 Operators Funding Program was approved by the Board in April 2010 to provide operating assistance to LADOT Community Dash program and Glendale, Pasadena and Burbank's fixed route transit programs. Allocation is calculated by the same methodology as in the FAP and does not negatively impact the existing Included and Eligible Operators. This program was funded \$6.0 million each year for three years beginning FY2011, from the \$18.0 million GOI fund that was set aside by the Board in FY2008. With the Board's approval, we will continue to fund this program in FY2018 in the amount of \$6.0 million.

Two-Year Lag Funding

Pursuant to the two-year lag funding policy adopted by the Board in 2006, a total of \$1,543,103 is being re-allocated from Metro to Foothill Transit and Norwalk Transit following the transfers of Lines 190/194 and 270 as approved by the Board in April 2016.

- **Line 190/194** service was transitioned from Metro to Foothill effective June 28, 2016 for a total of 947,846 annual revenue miles.
- **Line 270 (Northern portion from Monrovia to El Monte Station)** services was transitioned from Metro to Foothill effective June 28, 2016 for a total of 81,290 annual revenue miles.
- **Line 270 (Southern Portion)** service was transitioned from Metro to Norwalk effective June 27, 2016 for a total 219,430 annual revenue miles.

The two-year lag funding is paid through the FAP for two years beginning FY2017. After FY2018 the transitioned services operating data will become part of the FAP calculations.

Measure R Allocations (\$168.0M)

- **Measure R 20% Bus Operations (\$157.3M)**
Measure R, approved by voters in November 2008, provides that 20% of the revenues be allocated to bus service operations, maintenance and expansion. The 20% bus operations share is allocated according to FAP calculation methodology to Included and Eligible Operators.
- **Clean Fuel Bus Capital Facilities and Rolling Stock Fund (\$10.0M)**
Measure R ordinance also provides a lump sum allocation of \$150.0 million over the life of the ordinance for clean fuel and bus facilities. This fund is allocated to Metro and LA County Municipal Operators at \$10 million every even year.
- **Regional Ridership Task Force Fund (\$0.7M)**
Metro and Municipal Operators' Measure R funds reduced by \$700,000 through an agreement by transit operators to contribute toward a Regional Ridership Task Force consulting study.

Measure M 20% Transit Operations (\$150.1M)

Measure M, approved by the voters of Los Angeles County on November 8, 2016 to improve transportation and ease traffic congestion consistent with the Measure M Ordinance. As defined in Section 3 of the Measure M Ordinance, the 20% Transit Operations share is allocated according to FAP calculation methodology to Included and Eligible Operators.

Proposition C 5% Security (\$35.5M)

Ninety percent of Proposition C 5% Security fund is allocated to Los Angeles County transit operators and Metro Operations for security services. State law requires that each operator's share of funds be based on its share of unlinked boardings to total Los Angeles County unlinked boardings. The unlinked boardings used for allocating these funds are based on the operators' TPM reports of LACMTA approved services. The remaining ten percent is allocated to Metro to mitigate other security needs.

Proposition C 40% Discretionary Programs (\$71.5M)

The following programs are funded with Prop C 40% Discretionary funds:

- **Municipal Operators Service Improvement Program (MOSIP).** MOSIP was adopted by the Board in April 2001. The program is intended to provide bus

ATTACHMENT B

service improvements to the transit dependent in Los Angeles County by reducing overcrowding and expanding services. Funding is increased by 3% from the previous year's funding level. All Municipal Operators participate in this program, and funds are allocated according to FAP calculation methodology.

- **Zero-Fare Compensation.** The City of Commerce is allocated an amount equivalent to its FAP share as compensation for having zero fare revenues.
- **Foothill Mitigation.** This fund is allocated to operators to mitigate the impact of Foothill becoming an Included operator. The Foothill Mitigation Program is calculated similarly to the TDA and STA portion of the normal FAP, except that Foothill's data is frozen at its pre-inclusion level. The result of this calculation is then deducted from the TDA and STA portion of the normal FAP to arrive at the Foothill Mitigation funding level. This methodology was adopted by the BOS in November 1995.
- **Transit Service Expansion Program (TSE).** The TSE Program continues for five Municipal Operators for expansion or introduction of fixed-route bus service in congested corridors. Metro Operations does not participate in this program.
- **Base Re-Structuring Program (Base-Re).** The Base Restructuring Program continues for four Municipal Operators who added service before 1990. These four Municipal Operators are given additional funding from Proposition C 40% Discretionary.
- **Bus Service Improvement Program (BSIP).** The BSIP also continues to address service improvements on overcrowded non-Metro bus lines used primarily by the transit dependent. Metro Operations and all other Los Angeles County transit operators participate in this program, except for Claremont, La Mirada, and Commerce.
- **Proposition 1B Bridge Funding Program.** The Bridge Funding Program was established to compensate certain operators for the differences in State Proposition 1B allocation, which uses the State Transit Assistance (STA) allocation methodology, and the Los Angeles County Formula Allocation Procedure (FAP). Operators who would have received less or no funding under the State method are allocated with local funds if the FAP method is used. This program continues through the life of the bond as approved by the Board in September 2009. For FY2018, Bridge Funding allocation for the Transit Modernization (PTMISEA) account represents the 1st of three installments the operators earned from FY2015 Proposition 1B allocation; Bridge Funding for the Security account represents the full funding earned from the FY2015 allocation.

Federal Funds (\$344.8M)

Section 5307 Urbanized Formula Program (\$238.5M)

The Urbanized Area Formula Funding program (49 U.S.C. 5307) makes Federal resources available to urbanized areas for transit capital and operating assistance in urbanized areas and for transportation related planning. Based on federal revenue estimates for FY2018, \$238.5 million in Federal Section 5307 Urban Formula funds are allocated to Los Angeles County transit operators and LACMTA Operations. Eighty-five percent (85%) of these funds have been allocated based on a capital allocation formula consisting of total vehicle miles, number of vehicles, unlinked boardings, passenger revenue and base fare. The 15% Capital Discretionary fund and the 1% Transit Enhancement Act fund have been allocated on a discretionary basis with BOS review and concurrence.

At its April 18, 2017 meeting, the BOS allocated \$300,000 each year for the next three years to the Southern California Regional Transit Training Consortium (SCRTTC) from the 15% discretionary fund. SCRTTC provides a training resource network comprised of Community Colleges, Universities, Transit Agencies, Public and Private Organizations focused on the development and delivery of training and employment of the transit industry workforce that is proficient at the highest standards, practices, and procedures for the industry. The funds will be exchanged with Metro's TDA Article 4 share and disbursed through Long Beach Transit.

Section 5339 Bus and Bus Facilities (\$22.0M)

Section 5339 is a grant program authorized by 49 United States Code (U.S.C) Section 5339 as specified under the Federal Reauthorization Moving Ahead for Progress in the 21st Century or "MAP 21". The Program provides capital funding to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities. Based on federal revenue estimates for FY2018, \$22.0 million is allocated to Los Angeles County operators and Metro operations using the Capital Allocation Procedure adopted by the BOS. Operators' shares are swapped with Metro's share of Federal Section 5307 to minimize administrative process.

Section 5337 State of Good Repair (\$84.3M)

Section 5337 provides grants for new and expanded rail, bus rapid transit, and ferry systems that reflect local priorities to improve transportation options in key corridors. This program defines a new category of eligible projects, known as core capacity projects, which expand capacity by at least 10% in existing fixed guideway transit corridors that are already at or above capacity today, or are expected to be at or above capacity within five years. The program also includes provisions for streamlining

aspects of the New Starts process to increase efficiency and reduce the time required to meet critical milestones. This funding program consists of two separate formula programs:

- **High Intensity Fixed Guideway** – provides capital funding to maintain a system in a state of good repair for rail and buses operating on lanes for exclusive use of public transportation vehicles, i. e. bus rapid transit. Based on federal revenue estimates for FY2018, \$79.5 million is allocated to Metro and municipal operations.
- **High Intensity Motorbus** - provides capital funding to maintain a system in a state of good repair for buses operating on lanes not fully reserved only for public transportation vehicles. Based on federal revenue estimates for FY2018, \$4.7 million is allocated to Metro operations and Los Angeles County operators following the FTA formula: the fund allocated with Directional Route Miles (DRM) data is allocated using the operators' DRM data while the fund allocated with Vehicle Revenue Miles (VRM) data is allocated using the operators' VRM data. Operators' shares are swapped with Metro's share of Federal Section 5307 to minimize administrative process.

Proposition A Incentive Programs (\$15.2M)

In lieu of TDA Article 4.5, five percent (5%) of Proposition A 40% Discretionary funds have been allocated to local transit operators through Board-adopted Incentive Program guidelines. Programs include the Sub-Regional Paratransit Program, the Voluntary NTD Reporting Program and the Sub-Regional Grant Projects. Under the Voluntary NTD Reporting Program, local transit operators report operating data for entitlement to the Federal FTA Section 5307 funds. Operators participating in the Voluntary NTD Reporting Program and who are not receiving Sub-Regional Paratransit funds are allocated an amount equal to the Federal FTA Section 5307 funds they generate for the region.

Under the Sub-Regional Grant Projects, Avalon's Ferry, which provides a lifeline service to its residents who commute between Avalon and the mainland, will continue to receive \$650,000 in subsidy.

At its May 18, 2017 meeting, the Local Transit System Subcommittee (LTSS) approved an additional \$50,000 to Avalon's Transit Services annual subsidy increasing the funding level to \$300,000, and the Hollywood Bowl Shuttles subsidy remains at \$1,057,000.

Local Returns, TDA Articles 3 & 8 (\$627.4M)

Proposition A 25% Local Return (\$190.5M), Proposition C 20% Local Return (\$158.0M) and Measure R 15% Local Return (\$118.5M)

Fund estimates are apportioned to all Los Angeles County cities and the County of Los Angeles based on population shares according to state statutes and Proposition A, Proposition C and Measure R ordinances. The City of Vernon opted out of the Measure R Local Return program indefinitely.

Measure M Local Return (\$127.6M)

The Measure M 17% Local Return Funding allocations presented here are based on population. The allocation methodology is subject to Board approval of the Measure M guidelines and will be revised to reflect any changes made by the Board.

TDA Article 3 funds (\$7.9M)

TDA Article 3 funds are for Bicycle and Pedestrian Facilities and split into two parts:

- The 15% of TDA Article 3 funds are allocated towards maintenance of regionally significant Class I bike paths as determined by LACMTA policy and in current TDA Article 3 Guidelines. This portion is divided in a ratio of 30% to 70% to City of Los Angeles and County of Los Angeles, respectively.
- The 85% of the funds are allocated to all Los Angeles County cities and the County of Los Angeles based on population shares. TDA Article 3 has a minimum allocation amount of \$5,000. The City of Industry has opted out of the TDA Article 3 program indefinitely. The Street and Freeway Subcommittee and the Technical Advisory Committee (TAC) have approved this redistribution methodology in prior years, and it remains unchanged.

TDA Article 8 funds (\$25.0M)

TDA Article 8 funds are allocated to areas within Los Angeles County, but outside the Metro service area. This includes allocations to Avalon, Lancaster, Palmdale, Santa Clarita and portions of unincorporated areas of Los Angeles County. The amount of TDA funds for Article 8 allocation is calculated based on the proportionate population of these areas to the total population of Los Angeles County.

Los Angeles County Metropolitan Transportation Authority
2018 Transit Fund Allocations

**RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION
AUTHORITY FOR FISCAL YEAR 2017-2018 FOR LOCAL TRANSPORTATION,
TRANSPORTATION DEVELOPMENT ACT, AND STATE TRANSIT ASSISTANCE FUND
ALLOCATIONS**

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (LACMTA) is the designated Transportation Planning agency for the County of Los Angeles and is, therefore, responsible for the administration of the Transportation Development Act (TDA), Public Utilities Code Section 99200 et seq.; and

WHEREAS, under Chapter 2.5, Article 5, the State Transit Assistance Fund (STA) Section 6753, allocations to claimants shall be made and take effect by resolution and shall designate: 1) the fiscal year for which the allocation is made; 2) the amount allocated to the claimant for each of the purposes defined in Sections 6730 and 6731; and 3) any other terms and conditions of the allocation; and

WHEREAS, Section 6659 requires that allocation instructions be conveyed each year to the county auditor by written memorandum of its executive director and accompanied by a certified copy of the authorizing resolution; and

WHEREAS, the resolution shall also specify conditions of payment and may call for a single payment, for payments as moneys become available, or for payment by installments monthly, quarterly, or otherwise; and

WHEREAS, the amount of a regional entity's allocation for a fiscal year that is not allocated to claimants for that fiscal year shall be available to the regional entity for allocation in the following fiscal year; and

WHEREAS, Section 6754 requires that the regional entity may allocate funds to an operator or a transit service claimant only if, in the resolution allocating the funds, it finds all of the following:

- a.1 The claimant's proposed expenditures are in conformity with the Regional Transportation Plan.
- a.2 The level of passenger fares and charges is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements of PUC Section 99268.2, 99268.3, 99268.4, 99268.5, and 99268.9, as they may be applicable to the claimant.
- a.3 The claimant is making full use of federal funds available under the Urban Mass Transportation Act of 1964, as amended.

Los Angeles County Metropolitan Transportation Authority
2017 Transit Fund Allocations

- a.4 The sum of the claimant's allocations from the state transit assistance fund and from the local transportation fund does not exceed the amount the claimant is eligible to receive during the fiscal year.
- a.5 Priority consideration has been given to claims to offset reductions on federal operating assistance and the unanticipated increase in the cost of fuel, to enhance existing public transportation services, and to meet high priority regional, countywide, or area wide public transportation needs.

WHEREAS, the regional entity may allocate funds to an operator for the purposes specified in Section 6730 only if, in the resolution allocating the funds, it finds all of the following:

- b.1 The operator has made a reasonable effort to implement the productivity improvements recommended pursuant to PUC Section 99244.
- b.2 A certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle code, as required in PUC Section 99251. The certification shall have been completed within the last 13 month, prior to filing claims.
- b.3 The operator is in compliance with the eligibility requirements of PUC Section 99314.6 or 99314.7

WHEREAS, the regional entity may allocate funds to an operator to exchange funds pursuant to PUC Section 99314.4(b) only if, in the resolution allocating the funds made available pursuant to PUC Section 99231, it find that the operator is eligible to receive State Transit Assistance funds; and

WHEREAS, LACMTA staff in consultation with the Transit Operators and Cities has developed allocations in accordance with the Transportation Development Act as previously specified.

NOW THEREFORE,

- 1.0 The LACMTA Board of Directors approves the allocation of TDA and STA for the Fiscal Year 2017-18 to each claimant for each of the purposes as specified in Attachments A.
- 2.0 The Board of Directors hereby finds that a claimant's proposed expenditures are in conformity with the Regional Transportation Plan., the level of passenger fares and charges is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements; the claimant is making full use of federal funds

**Los Angeles County Metropolitan Transportation Authority
2017 Transit Fund Allocations**

available under the Urban Mass Transportation Act of 1964; the sum of the claimant's allocations from the State Transit Assistance fund and from the Local Transportation Fund do not exceed the amount the claimant is eligible to receive during the fiscal year; and that priority consideration has been given to claims to offset reductions on federal operating assistance and the unanticipated increase in the cost of fuel, to enhance existing public transportation services, and to meet high priority regional, countywide, or area wide public transportation needs.

- 3.0 The Board of Directors hereby finds that, for the purposes specified in Section 6730, the operators eligible for funding have made reasonable efforts to implement the productivity improvements recommended pursuant to PUC Section 99244. A certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, has been remitted. The operator is in compliance with the eligibility requirements of PUC Section 99314.6 or 99314.7
- 4.0 The Board of Directors hereby authorizes that the operators listed in Attachment A are eligible to receive State Transit Assistance funds.
- 5.0 The Board of Directors hereby authorizes that the operators may receive payments upon meeting the requirements of the STA eligibility test and submittal of TDA and STA claims.

CERTIFICATION

The undersigned, duly qualified and acting as the Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct representation of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on June, 2017.

MICHELE JACKSON
Board Secretary

DATED:
(SEAL)



Board Report

File #: 2017-0335, File Type: Budget

Agenda Number: 12.

FINANCE, BUDGET AND AUDIT COMMITTEE JUNE 14, 2017

SUBJECT: ACCESS SERVICES PROPOSED FISCAL YEAR 2018 BUDGET

**ACTION: APPROVE FUNDING FOR ACCESS SERVICES FOR
FISCAL YEAR 2018 (FY18)**

RECOMMENDATION

CONSIDER:

- A. APPROVING local funding request for Access Services (Access) in an amount not to exceed \$91,892,571 for FY18. This amount includes:
- Operating and Capital funds in the amount of \$89.7 million; and
 - Funds paid directly to Metrolink in the amount of \$2.2 million for its participation in Access' Free Fare Program
- B. AUTHORIZE the Chief Executive Officer to negotiate and execute all necessary agreements between Metro and Access.

ISSUE

Access provides Americans with Disabilities Act (ADA) paratransit service on behalf of Metro and 44 other Los Angeles County fixed route operators, as mandated by the ADA. In coordination with Metro staff, Access has determined that a total of \$177.8 million is required for its FY18 operating and capital activities. Of this amount, a total of \$85.9M will be funded from passenger fares, federal grants and other income generated by Access. The remaining \$91.9 million will be funded by Metro from Proposition C 40% Discretionary (PC 40%) funds, as follows: \$87.7 million, and an additional \$2.0 million to set aside a reserve for funding trips in excess of the budgeted amount, if needed, and another \$2.2 million programmed to Metrolink for its participation in Access' Free Fare Program. See Attachment A.

DISCUSSION

Access' passenger trips are projected to increase by 4.3% for FY18. However, in the event that Access experiences a higher rate of trip growth closer to 6.5%, staff is recommending a \$2 million reserve be set aside with Metro to meet this potential additional trip demand.

As seen in the chart below, the major cost drivers in FY18 are in Direct Operations and can be attributed to increases in projected ridership and the mandated minimum wage hike in Los Angeles County. The increase in Contracted Support is a result of costs associated with implementation and start-up of a new eligibility contractor as well as the leasing of a new eligibility facility. In the area of Management and Administration, a reduction of 6.6% is due to the outsourcing of the Customer Service and Operations Monitoring Call Centers, which were originally in-house functions, along with other cost controls. Overall, Access' proposed FY18 budget will increase by \$12.6 million or 7.7%.

Access Services - Budget (\$ in thousands)

	FY17 Budget	FY18 Proposed	\$ Change	% Change
Expenses				
Direct Operations	\$ 129,312.0	\$ 139,413.0	\$ 10,101.0	7.8%
Contracted Support	11,878.0	14,569.0	2,691.0	22.7%
Management/Administration	12,582.0	11,749.0	(833.0)	-6.6%
Total Operating Costs	\$ 153,772.0	\$ 165,731.0	\$ 11,959.0	7.8%
Total Capital Costs	\$ 9,430.0	\$ 10,100.0	\$ 670.0	7%
Total Expenses	\$ 163,202.0	\$ 175,831.0	\$ 12,629.0	7.7%

BACKGROUND

Access administers the delivery of regional ADA paratransit service on behalf of Metro and 44 other public fixed route operators in Los Angeles County consistent with the adopted Countywide Paratransit Plan. The provision of compliant ADA-mandated paratransit service is considered a civil right under federal law and must be appropriately funded.

Access' system provides more than 4.7 million passengers trips per year to more than 173,000 qualified ADA paratransit riders in a service area covering over 1,950 square miles of Los Angeles County by utilizing over 1,400 accessible vehicles and taxicabs. Access' service area is divided into six regions to ensure efficiency and effectiveness of service. The current average cost per trip is \$35.65, with an average cost per mile of \$3.83. Both of these costs are expected to increase concurrent with the minimum wage increases in the City of Los Angeles, Los Angeles County and the State of California.

Funding Sources

Access is funded, in part, by Federal Section 5310 funds from the Regional Surface Transportation Program and local PC sales tax funds. While Federal funds have increased by less than 2% per year

since FY03, PC 40% has increased by more than 14% per year during the same period.

Performance and Oversight

Access has established contractual performance standards for service delivery in every region. Starting on July 1, 2017, the Access Board of Directors approved the introduction of liquidated damages tied to key performance indicators to ensure that optimal levels of service are met. See chart below for a yearly comparison of Access' Key Performance Standards.

Access Performance Standards

	Standards	FY16	Goals Met	FY17-YTD*	Goals Met
On-Time Performance	≥ 91%	90.8%	No	91.4%	Yes
"Late 4" Trips (45+ mins late)	≤ 0.10%	0.13%	No	0.09%	Yes
Average Hold Time	≤ 120 secs	89 secs	Yes	85 secs	Yes
Calls on Hold over 5 Mins	≤ 5.0%	4.6%	Yes	4.4%	Yes

*YTD thru April 2017

Comprehensive Operational Review (COR)

A recent Metro review of Access recommended that its operating structure be studied to determine if services could be provided in a more efficient manner. In response, the Access Board approved a contract with the transit consulting firm Nelson/Nygaard to conduct a COR beginning in January 2017. As part of the review, Nelson/Nygaard will analyze paratransit trip patterns in Los Angeles County to determine if changes to Access' operating model could result in more efficient paratransit service. The consultant's final report and recommendations are on target to be completed by September 2017, with an interim presentation to the Access Board scheduled in June 2017.

Metro will continue oversight of Access to ensure system effectiveness, cost efficiency and accountability. Metro has and will continue to be an active participant on Access' Board of Directors, the Budget Subcommittee and Audit Subcommittee. In addition, a review of Access is part of the consolidated audit conducted annually by independent auditors hired by Metro.

DETERMINATION OF SAFETY IMPACT

Approval of this recommendation will not have a negative impact on the safety of Metro's customers, its employees, or the general public.

FINANCIAL IMPACT

Access' local funding will come from PC 40% for \$91.9 million. These funds are eligible for Metro bus

and rail operations and capital.

Impact to Budget

Metro's FY18 budget includes \$91.9 million from PC 40% to fund Access.

ALTERNATIVES CONSIDERED

Not fully funding Access to provide mandated paratransit service for FY18 would place Metro and the other 44 Los Angeles County fixed route operators in violation of the ADA, which mandates that fixed route operators provide complementary paratransit service within $\frac{3}{4}$ of a mile of local rail and bus line. This could impact Metro's ability to procure federal grants.

NEXT STEPS

Upon approval of the recommended funding, staff will execute a Memorandum of Understanding with Access for FY18 to ensure proper disbursement of funds. Funds from Measure M will be programmed in FY19 in accordance with the board adopted Measure M guidelines.

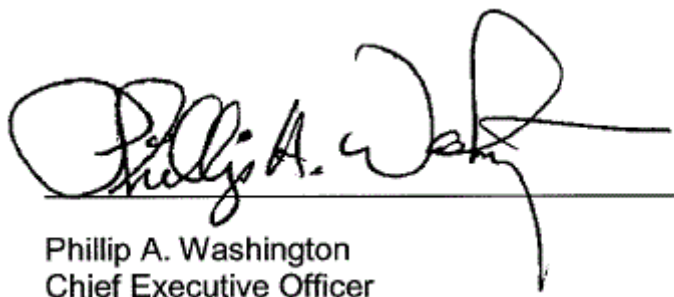
Attachment A - Access Funding Sources for Fiscal Year 2017-2018

Prepared by:

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(213) 922-2835

Reviewed by:

Nalini Ahuja, Chief Financial Officer, Office of Finance and Budget
(213) 922-3088



Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

Access Funding Sources – Fiscal Year 2017-2018

(\$ in millions)	FY18 Funding Sources
<u>Federal, fares, and other income</u>	
Federal grants	\$ 73.7
Passenger fares and other income	12.2
Federal grants, fares and other income Subtotal	85.9
<u>Prop C 40%</u>	
Operating and Capital Funds	87.7
Funds to Metrolink for Access' Free Fare Program	2.2
Reserve (held with Metro)	2.0
PC40 Subtotal	91.9
Total Funding	\$ 177.8
TOTAL FUNDING REQUESTED	\$ 91.9



Board Report

File #: 2017-0351, File Type: Resolution

Agenda Number: 13.

FINANCE, BUDGET AND AUDIT COMMITTEE JUNE 14, 2017

SUBJECT: TRANSPORTATION DEVELOPMENT ACT (TDA) ARTICLE 8 FUND PROGRAM

**ACTION: ADOPT FINDINGS, RECOMMENDATIONS AND RESOLUTION FOR FY 2016-17
TDA ARTICLE 8 UNMET TRANSIT NEEDS**

RECOMMENDATION

ADOPT:

- A. FINDINGS AND RECOMMENDATIONS (Attachment A) for allocating fiscal year (FY) 2017-18 Transportation Development Act (TDA) Article 8 funds estimated at \$24,973,370 as follows:
1. In the City of Avalon there are no unmet transit needs that are reasonable to meet, therefore TDA Article 8 funds (Attachment B) in the amount of \$141,320 may be used for street and road projects, or transit projects, as described in Attachment A;
 2. In the Cities of Lancaster and Palmdale, transit needs are met using other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$6,036,022 and \$6,150,445 (Lancaster and Palmdale, respectively) may be used for street and road purposes and/or transit, as long as their transit needs continue to be met;
 3. In the City of Santa Clarita, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$8,438,112 for the City of Santa Clarita may be used for street and road and/or transit, as long as their transit needs continue to be met;
 4. In the Los Angeles County Unincorporated areas of North County, the areas encompassing both the Antelope Valley and the Santa Clarita Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$4,207,471 may be used for street and road purposes and/or transit, as long as their transit needs continue to be met; and

- B. A RESOLUTION (Attachment C) making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

ISSUE

State law requires that the Los Angeles County Metropolitan Transportation Authority (LACMTA) make findings regarding unmet transit needs in areas outside Metro's service area. If there are unmet transit needs that are reasonable to meet, then these needs must be met before TDA Article 8 funds may be allocated for street and road purposes.

DISCUSSION

Under the State of California TDA Article 8 statute, state transportation funds are allocated to the portions of Los Angeles County outside Metro's service area. These funds are for "unmet transit needs that may be reasonable to meet". However, if no such needs exist, the funds can be spent for street and road purposes. See Attachment D for a brief summary of the history of TDA Article 8 and definitions of unmet transit needs.

Before allocating TDA Article 8 funds, the Act requires Metro to conduct a public hearing process (Attachment E). If there are determinations that there are unmet transit needs, which are reasonable to meet and we adopt such a finding, then these needs must be met before TDA Article 8 funds can be used for street and road purposes. By law, we must adopt a resolution annually that states our findings regarding unmet transit needs. Attachment C is the FY 2017-18 resolution. The proposed findings and recommendations are based on public testimony (Attachment F) and the recommendations of the SSTAC and the Hearing Board.

POLICY IMPLICATION

Staff has followed state law in conducting public hearings and obtaining input from the Social Service Transportation Advisory Council (SSTAC) regarding unmet transit needs. The SSTAC is comprised of social service providers and other interested parties in the North County areas. Attachment G summarizes the recommendations made and actions taken during FY 2016-17 (for the FY 2017-18 allocation estimates) and Attachment H is the proposed recommendations of the FY17-18 SSTAC.

On March 27, 2017, the TDA Article 8 Hearing Board was convened on behalf of the Board of Directors to conduct the required public hearing process. The Hearing Board developed findings and made recommendations for using TDA Article 8 funds based on the input from the SSTAC and the public hearing process.

Upon transmittal of the Board-adopted findings and documentation of the hearings process to Caltrans Headquarters, and upon Caltrans approval, funds will be released for allocation to the eligible jurisdictions. Delay in adopting the findings, recommendations and the resolution contained in Attachments A and C would delay the allocation of \$24,973,370 in TDA Article 8 funds to the recipient local jurisdictions.

DETERMINATION OF SAFETY IMPACT

Approval of this project will have no impact on Safety.

FINANCIAL IMPACT

The TDA Article 8 funds for FY 2017-18 are estimated at \$24,973,370 (Attachment B). The funding for this action is included in the FY18 Proposed Budget in cost center 0443, project number 410059 TDA Subsidies - Article 8.

TDA Article 8 funds are state sales tax revenues that state law designates for use by Los Angeles County local jurisdictions outside of Metro's service area. Metro allocates TDA Article 8 funds based on population and disburse them monthly, once each jurisdiction's claim form is received, reviewed and approved.

ALTERNATIVES CONSIDERED

The Board of Directors could adopt findings or conditions other than those developed in consultation with the Hearing Board, with input from the state-required SSTAC (Attachment H) and through the public hearing process. However, this is not recommended because adopting the proposed findings and recommendations made by the SSTAC and adopted by the Hearing Board have been developed through a public hearing process, as described in Attachment E, and in accordance with the TDA statutory requirements.

NEXT STEPS

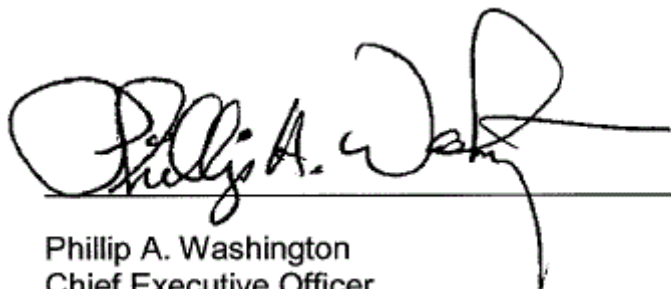
Once Caltrans reviews and approves the Board-adopted resolution and documentation of the hearing process, we will receive TDA Article 8 funds to allocate to the recipient local jurisdictions.

ATTACHMENTS

- A. FY18 Proposed Findings and Recommended Actions
- B. TDA Article 8 Apportionments: Estimates for FY2017-18
- C. FY2017-18 TDA Article 8 Resolution
- D. History of TDA Article 8 and Definitions of Unmet Transit Needs
- E. TDA Article 8 Public Hearing Process
- F. FY18 Comment Summary Sheet - TDA Article 8 Unmet Transit Needs Public Testimony and Written Comments
- G. Summary of Recommendations and Actions Taken
- H. Proposed Recommendations of the FY2017-18 SSTAC

Prepared by: Drew Phillips, Director, Budget (213)-922-2109
Armineh Saint, Senior Manager, Transportation Planning (213) 922-2369

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

A handwritten signature in black ink, appearing to read "Phillip A. Washington", is written over a horizontal line. The signature is stylized with large loops and a long horizontal stroke extending to the right.

Phillip A. Washington
Chief Executive Officer

FY 2017-18 TDA ARTICLE 8

PROPOSED FINDINGS AND RECOMMENDED ACTIONS

CATALINA ISLAND AREA

- Proposed Findings - In the City of Avalon, there are no unmet transit needs that are reasonable to meet; therefore TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions - City of Avalon address the following and implement if reasonable to meet: 1) maintain funding sources for transit services.

ANTELOPE VALLEY AREA

- Proposed Findings – There are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North Los Angeles County, existing transit needs can be met through using other existing funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions – Antelope Valley Transit Authority (AVTA) address the following: 1) continue to evaluate funding opportunities for transit services.

SANTA CLARITA VALLEY AREA

- Proposed Findings - There are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions - Santa Clarita Transit address the following: 1) continue to evaluate funding opportunities for transit services.

Los Angeles County Metropolitan Transportation Authority
FY 2018 TDA ARTICLE 8 APPORTIONMENTS
 (Transit/Streets & Highways)

AGENCY	POPULATION [1]	ARTICLE 8 PERCENTAGE	ALLOCATION OF TDA ARTICLE 8 REVENUE
Avalon	3,678	0.57%	\$ 141,320
Lancaster	157,094	24.17%	6,036,022
Palmdale	160,072	24.63%	6,150,445
Santa Clarita	219,611	33.79%	8,438,112
LA County [2]	<u>109,504</u>	<u>16.85%</u>	<u>4,207,471</u>
Unincorporated			
Total	649,959	100.00%	\$ 24,973,370
Estimated Revenues:			\$ 24,973,370

[1] Population estimates are based on State of California Department of Finance census 2016 data-report

[2] The Unincorporated Population figure is based on 2007 estimates by Urban Research minus annexation figures from Santa Clarita increased population of 26,518 (2012 annexation)

**RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION
AUTHORITY MAKING A DETERMINATION AS TO
UNMET PUBLIC TRANSPORTATION NEEDS IN LOS ANGELES COUNTY
FOR FISCAL YEAR 2016-17**

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (LACMTA) is the designated Transportation Planning agency for the County of Los Angeles and is, therefore, responsible for the administration of the Transportation Development Act, Public Utilities Code Section 99200 et seq.; and

WHEREAS, under Sections 99238, 99238.5, 99401.5 and 99401.6, of the Public Utilities Code, before any allocations are made for local street and road use, a public hearing must be held and from a review of the testimony and written comments received and the adopted Regional Transportation Plan, make a finding that 1) there are no unmet transit needs; 2) there are no unmet transit needs that are reasonable to meet; or 3) there are unmet transit needs, including needs that are reasonable to meet; and

WHEREAS, at its meetings of June 25, 1998 and June 24, 1999, the Board of Directors approved definitions of unmet transit need and reasonable to meet transit need; and

WHEREAS, public hearings were held by LACMTA in Los Angeles County in Santa Clarita on February 27, 2017 Palmdale on February 27, 2017, Lancaster on February 27, 2017, Avalon on March 7, 2017, after sufficient public notice of intent was given, at which time public testimony was received; and

WHEREAS, a Social Service Transportation Advisory Council (SSTAC) was formed by LACMTA and has recommended actions to meet the transit needs in the areas outside the LACMTA service area; and

WHEREAS, a Hearing Board was appointed by LACMTA, and has considered the public hearing comments and the recommendations of the SSTAC; and

WHEREAS, the SSTAC and Hearing Board reaffirmed the definitions of unmet transit need and reasonable to meet transit need; and

WHEREAS, staff in consultation with the Hearing Board recommends the finding that in the City of Avalon there are no unmet transit needs that are reasonable to meet; therefore TDA Article 8 funds may be used for street and road projects, or transit projects; and

ATTACHMENT C

(Page 2 of 3)

WHEREAS, staff in consultation with the Hearing Board recommends the finding that in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, there are no unmet transit needs that are reasonable to meet. In the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.

WHEREAS, staff in consultation with the Hearing Board recommends the finding that there are no unmet transit needs that are reasonable to meet. In the Cities of Lancaster and Palmdale and the unincorporated portions of North Los Angeles County, existing transit needs can be met through using other existing funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.

NOW THEREFORE,

- 1.0 The Board of Directors approves on an on-going basis the definition of Unmet Transit Needs as any transportation need, identified through the public hearing process, which could be met through the implementation or improvement of transit or paratransit services; and the definition of Reasonable to Meet Transit Need as any unmet transit needs that can be met, in whole or in part, through the allocation of available transit revenue and be operated in a cost efficient and service effective manner, without negatively impacting existing public and private transit options.
- 2.0 The Board hereby finds that, in the City of Avalon, there are no unmet transit needs that are reasonable to meet; therefore TDA Article 8 funds may be used for street and road projects, or transit projects.
- 3.0 The Board hereby finds that in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, there are no unmet transit needs that are reasonable to meet. In the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.
- 4.0 The Board hereby finds that in the Cities of Lancaster and Palmdale and the unincorporated portions of North Los Angeles County, there are no unmet transit needs that are reasonable to meet. In the Cities of Lancaster and Palmdale and the unincorporated portions of North Los Angeles County, existing transit needs can be met through using other existing funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.

CERTIFICATION

The undersigned, duly qualified and acting as the Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct representation of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on Thursday, June 22, 2017.

MICHELE JACKSON
LACMTA Board Secretary

DATED: June 22, 2017

History of Transportation Development Act (TDA) 8

The Mills-Alquist-Deddeh act, better known as the Transportation Development Act (SB325), was enacted in 1971 to provide funding for transit or non-transit related purposes that comply with regional transportation plans. Funding for Article 8 was included in the original bill.

In 1992, after the consolidation of SCRTD and LACTC, AB1136 (Knight) was enacted to continue the flow of TDA 8 funds to outlying cities which were outside of the SCRTD's service area.

Permanent Adoption of Unmet Transit Needs Definitions

Definitions of Unmet Transit Need and Reasonable to meet transit needs were originally developed by the SSTAC and Hearing Board and adopted by Metro Board Resolution in May, 1997 as follows:

- Unmet Transit Need- any transportation need, identified through the public hearing process, that could be met through the implementation or improvement of transit or paratransit services.
- Reasonable to Meet Transit Need - any unmet transit need that can be met, in whole or in part, through the allocation of additional transit revenue and be operated in a cost-efficient and service-effective manner, without negatively impacting existing public and private transit options.

Based on discussions with and recommendations from Caltrans Headquarters' staff, these definitions have been adopted on an ongoing basis by the resolution. The Metro Board did approve the definitions of unmet transit need and reasonable to meet transit need at its meetings June 25, 1998 and June 24, 1999.

These definitions will continue to be used each year until further action by the Metro Board.

ATTACHMENT E

TDA ARTICLE 8 PUBLIC HEARING PROCESS

Article 8 of the California Transportation Development Act (TDA) requires annual public hearings in those portions of the County that are not within the Metro transit service area. The purpose of the hearings is to determine whether there are unmet transit needs which are reasonable to meet. We established a Hearing Board to conduct the hearings on its behalf in locations convenient to the residents of the affected local jurisdictions. The Hearing Board, in consultation with staff, also makes recommendations to the Board of Directors for adoption: 1) a finding regarding whether there are unmet transit needs that are reasonable to meet; and 2) recommended actions to meet the unmet transit needs, if any.

In addition to public hearing testimony, the Hearing Board received input from the Social Service Transportation Advisory Council (SSTAC), created by state law and appointed by us, to review public hearing testimony and written comments and, from this information, identify unmet transit needs in the jurisdictions.

Hearing Board

Staff secured the following representation on the FY 2017-18 Hearing Board:

Dave Perry represented Supervisor Kathryn Barger; Steven Hofbauer, Mayor Pro Tem, City of Palmdale; Marvin Crist, Vice Mayor, City of Lancaster, represented the North County; Cameron Smyth, Mayor of Santa Clarita represented Santa Clarita Valley.

Also, membership was formed on the FY 2018 Social Service Transportation Advisory Council (SSTAC) per requisite of the *Transportation Development Act Statutes and California Code of Regulations*. Staff had adequate representation of the local service providers and represented jurisdictions, therefore the SSTAC meeting convened with proposed recommendations as included in Attachment G.

Hearing and Meeting Dates

The Hearing Board held public hearings in Avalon on March 7, Santa Clarita on February 27, Palmdale on February 27, and Lancaster on February 27, 2017. A summary sheet of the public testimony received at the hearings and the written comments received within two weeks after the hearings is included in Attachment F.

The SSTAC met on March 21, 2017. Attachment H contains the SSTAC's recommendations, which were considered by the Hearing Board at its March 27, 2017 meeting.

**2018 TDA ARTICLE 8 UNMET NEEDS PUBLIC TESTIMONY AND WRITTEN COMMENTS
SUMMARY TABULATION SHEET - ALL HEARINGS**

		Santa Clarita and Avalon	Antelope Valley
1	General increase in service, including longer hours, higher frequency, and/or more days of operation		
1.2	Extend commuter bus service to Sylmar from Santa Clarita	1	
1.3	More busses servicing the Via Princessa Station for Route 12	1	
1.4	Increase services during the weekend after 7-8pm.	1	
1.5	Reduce service time for Route 5 and 6 to 30 minutes instead of the current 60 minutes (1-hour)	1	
1.6	Reduce service time for Route 3 and 7 to 30 minutes instead of the current 60 minutes (1-hour)	1	
1.7	Maintain Summer Beach Bus Service	1	
2	Scheduling, reliability, transfer coordination		
3	Demand responsive service, Dial-a-Ride availability		
4	Bus Maintenance issues*		
5	Security issues (Park-N-Ride lots, bus stops & buses). Include safety measures of surveillance.		
6	Fare issues / Bus scripts		
7	Park-N-Ride, Bus Stop, bus shelter issues, signage and amenities		
8	Metrolink issues		
8.1	Maintain weekday and Saturday service	1	
8.2	Weekend busses need to stop at the top of station	1	
9	Other issues: better public information needed, bus improvements, upgrades, increase fleet, bus tokens, transit center		
10	Other, statement - Support		
10.1	Excellent transit apps	1	
10.2	Transportation needs are met	1	
10.3	Integration of Google Maps	1	
11	Avalon - support*		
11.1	TDA 8 funding for Avalon should not be based on strict population data but sales tax due to the large number of visitors every year	1	
	Sub-total:	12	
	Total -	12	
Total of 12 comments taken from verbal and written comments by 3 individuals			



Board of Directors

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Executive Director

Len Engel

February 9, 2017

TDA Article 8 Hearing Board Chair
c/o Armineh Saint, Program Manager
Metropolitan Transit Authority
One Gateway Plaza
Los Angeles, California 90012

RE: Fiscal Year 2016/17 TDA Article 8 Unmet Needs Hearings

Dear Ms. Saint:

At the 2016 TDA Article 8 Unmet Needs Hearing, the Board found the Antelope Valley Transit Authority (AVTA) had no unmet needs that could not be addressed through existing funding sources. At the Hearing, the AVTA received comments from the public in the areas of technology, capital improvements, and service reliability. The AVTA is committed to providing quality and reliable service. As a result of the public response, the AVTA had several accomplishments in the areas listed above.

Over the past year, we made significant progress towards reaching our goal of electrifying our 79 bus fleet. These new and improved zero emission buses will create a smooth ride for our customers. To improve service and enhance the overall rider experience, the AVTA developed a new Customer Code of Conduct, extended the Bus Stop Maintenance Program to the City of Lancaster and upgraded the Bus Stop Improvement program. In addition, we work with and maintain a close relationship with companies we have worked with in the past such as Avail Technologies, Inc. and TransTrack Systems, Inc. System-wide key performance indicators continue to be monitored to ensure that we are providing the best possible level of service.

Staff will respond as service changes and enhancements are indicated through the system-wide key performance indicators. Data is collected from a variety of sources including the farebox, contractor reports, and financial performance data. The internal service development plan has been helpful because it allows staff to analyze and develop service recommendations based on customer inquiries and/or feedback on a bi-annual basis. Staff regularly holds informational meetings on any proposed service enhancements.

The AVTA offers these comments as follow-up to last year's TDA Article 8 Hearing process:

Overcrowding/Service Frequency, Scheduling Issues, and Service/Route Adjustments -

Progress Report: The Antelope Valley Transit Authority has implemented new service enhancements and will continue to do so based off the needs of the community. In addition, AVTA has 13 60' articulated buses on order. These battery-electric buses will be assigned to Route 1 where most of the crowding occurs. Buses should begin to enter service by late summer 2017.

On-board Safety/Cleanliness/Conditions and Transit Stop Conditions -

Progress Report: A successful partnership between AVTA and the public depends upon AVTA employees and the traveling public behaving in a mutually respectful and courteous manner. We developed the Customer Code of Conduct to inform patrons of the rules and guidelines for riding the bus.

The AVTA is purchasing new buses to replace its entire bus fleet that will not have the same issues as noted in the outdated vehicles. In addition, the Authority has implemented an increase in response to cleanliness and maintenance on all of its revenue generating vehicles and bus stop facilities. We will continue to apply for new funding resources to purchase new buses, enhance bus stop facilities, and increase fixed route services and customer accessibility. The Authority has been very successful working with State agencies to bring new and additional financial resources to the region. As transit services are examined, the Authority will implement improvements based on customer needs.

Coordinate services with Metrolink, Metro and other transit providers -

Progress Report: AVTA continues to work closely with local municipal operators such as Santa Clarita, LA Metro and Metrolink. In an effort to provide improved connectivity, AVTA has placed a focus on providing improved transfer connections at major transfer hubs with minimal wait times, specifically at Lancaster City Park, Palmdale Transportation Center and 47th Street and Avenue S.

Additional commuter service between the Antelope Valley and the industrial area in west Santa Clarita Valley was implemented last summer. The new service would provide public transportation during the afternoon hours when Metrolink and both local bus services rarely provide commuter service. Staff has also met with Metrolink in recent months to discuss ways to improve emergency response services between the two agencies.

Bus Stop Requests: AVTA investigates all requests for additional bus stops to be placed along existing routes or with minor deviations. Bus stop requests may be denied due to unsafe conditions, the existence of current bus stops within close proximity, proposed location not near an established route, or lack of ADA accommodations.

The AVTA values the input of our customers and stakeholders and continues to take a proactive approach to address the transit needs in the Antelope Valley. If have you questions, please contact me at (661) 729-2206.

Sincerely,



Len Engel
Executive Director\CEO



City of
SANTA CLARITA
TRANSIT

City of Santa Clarita Transit • Transit Maintenance Facility
28250 Constellation Road • Santa Clarita, CA 91355
Phone: (661) 295-6300 • Fax: (661) 295-6393
santa-clarita.com

Santa Clarita Valley Area
TDA Article 8 Hearings
February 27, 2017
Presented by Adrian Aguilar, Transit Manager

Over the past 12 months, the City of Santa Clarita has continued to make enhancements with regards to capital improvements, technology and service reliability. As a result, last years' TDA Article 8 hearings produced just one recommended action:

1. Continue to evaluate funding opportunities for transit services.

As a general practice, the City of Santa Clarita explores all potential funding opportunities. 2016 was no exception. The City submitted two grant applications over the past 12 months seeking funding to construct the future Vista Canyon Metrolink Station. This effort represents the City's ongoing commitment to ensure transit services meet the demands of our growing community.

Since the last year's TDA Article 8 hearings, Santa Clarita Transit has taken delivery of five CNG commuter coaches and two CNG powered dial-a-ride vehicles. In addition, the City has awarded contracts for the purchase and delivery of five additional CNG powered commuter buses and eight CNG powered local transit buses. The continued shift toward a commuter fleet of clean burning and cost-effective alternative fuel vehicles represents our agency's commitment to the future, but more importantly our commitment to providing the most efficient service possible to our patrons.

During last year's hearing, staff reported that the City had awarded the design contract for its much-anticipated Vista Canyon transit center project. Today I am happy to report that the design for this project is approximately 50 percent complete and is currently undergoing review by the City's Planning and design review Committee. The complete design and construction documents are scheduled to be completed within the next 12 months.

The City continues to make adjustments to local and commuter schedules in an effort to better coordinate with neighboring transit providers and improve overall on time performance. Following the most recent schedule adjustments, the on-time performance for the local service has averaged 90.3 percent, while the commuter service on-time performance rate increased to 92.2 percent.

The City also continues to improve and expand its use of technology. Over the past 12 months, the City has upgraded the vehicle tracking hardware installed on a number of its vehicles ensuring the system provides our customers with accurate real-time arrival information. To improve the experience of our commuter customers, the City recently issued an Invitation for Bids to replace the aging passenger WiFi system installed on each of the City's 30 commuter buses. This will ensure that our commuter customer continue to have access to reliable and speedy internet access while on-board the bus. When off the bus, our customers continue to benefit from the City's investment in technology.

In addition to the City's own smart phone transit app and the integration of the City's transit data into Moovit, the City has worked with additional third party software developers to include Santa Clarita Transit real-time arrival information into their platform. This past year, the City worked with Apple and the developers of *Transit App* to include the City's transit data feed in their smartphone applications. As a result riders have the ability to access real-time arrival information for the Santa Clarita Transit system via six different platforms depending on their individual preferences or needs.

The City strongly believes that in order to provide the most effective and efficient service possible, it must actively partner with local and regional stakeholders. As such, Santa Clarita Transit regularly communicates and collaborates with, partners including Access Services, Antelope Valley Transit Authority, Caltrans, County of Los Angeles, Metro, and Metrolink, just to name a few. We also work closely with the City's Economic Development Corporation and local businesses to promote public transportation.

The City of Santa Clarita continues to address the transit needs of our residents in a proactive manner and is committed to providing an effective and efficient service that improves the quality of life within the Santa Clarita Valley.

Thank you.

FY 2017-18 TDA ARTICLE 8

SSTAC PROPOSED FINDINGS AND RECOMMENDED ACTIONS

CATALINA ISLAND AREA

- Proposed Findings - that in the City of Avalon there are no unmet transit needs that are reasonable to meet; therefore TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions - that the City of Avalon address the following and implement if reasonable to meet: 1) maintain funding sources for transit services.

ANTELOPE VALLEY AREA

- Proposed Findings – there are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North Los Angeles County, existing transit needs can be met through using other existing funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions – That Antelope Valley Transit Authority (AVTA) address the following: 1) continue to evaluate funding opportunities for transit services.

SANTA CLARITA VALLEY AREA

- Proposed Findings - There are no unmet transit needs that are reasonable to meet; In the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions - that Santa Clarita Transit address the following: 1) continue to evaluate funding opportunities for transit services.



Board Report

File #: 2017-0389, **File Type:** Program

Agenda Number: 14.

FINANCE, BUDGET, AND AUDIT COMMITTEE JUNE 14, 2017

SUBJECT: FY 2017-18 METROLINK ANNUAL WORK PROGRAM BUDGET

ACTION: APPROVE METROLINK'S FY 2017-18 ANNUAL WORK PROGRAM AND RELATED ACTIONS

RECOMMENDATION

CONSIDER:

- A. APPROVING the Southern California Regional Rail Authority's (SCRRA) FY 2017-18 (FY18) Annual Work Program pursuant to their revised May 16, 2017, budget transmittal (Attachment A);
- B. APPROVING the Los Angeles County Metropolitan Transportation Authority's (LACMTA) share of SCRRA FY18 Metrolink funding totaling \$84,260,839 for programs detailed in Table 1;
- C. APPROVING increasing the Antelope Valley Line 100% Fare Enforcement program's FY17 funding contribution from \$1,700,000 to \$2,005,573;
- D. EXTENDING the lapsing dates for funds previously allocated to SCRRA for the Rehabilitation and Renovation Program as follows:
 - FY 2013-14 from June 30, 2017 to June 30, 2018 - \$955,790;
- E. APPROVING the FY18 Transfers to Other Operators payment rate of \$1.10 per boarding to LACMTA and an EZ Pass reimbursement cap to LACMTA of \$5,592,000; and
- F. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements between LACMTA and the SCRRA for the approved funding.

ISSUE

The SCRRA Joint Exercise Powers Agreement (JPA) requires the member agencies to annually approve their individual share of Metrolink funding.

DISCUSSION

The Metrolink system provides commuter rail service within Los Angeles County and between Los Angeles County and the surrounding counties of Orange, Riverside, San Bernardino, and Ventura, as well as northern San Diego County.

Staff is recommending an approval of LACMTA share of SCRRA FY18 Metrolink funding totaling \$84,260,839 for programs detailed in Table 1 below. The SCRRA overall FY18 Budget request for new programming from all Member Agencies consists of \$243.0 million for Commuter Rail operations, \$89.6 million for Rehabilitation and Renovation projects and \$5.3 million for New Capital projects.

LACMTA Contribution

TABLE 1
Requested FY18 LACMTA Share of Metrolink Programming

Proposition C 10% - Operations	Recommended Amount
Commuter Rail Operations	\$71,659,000
Enhanced L.A. County ROW Security	2,360,550
Antelope Valley Line Fare Reduction Program	1,262,000
Antelope Valley Line 100% Fare Enforcement Program	1,910,289
One-Time Special Events	250,000
Subtotal Proposition C 10%	\$77,441,839
Measure R 3% - Capital	
Rail Car Overhaul	\$6,819,000
Subtotal Measure R 3%	\$6,819,000
Total New Metrolink Programming	\$84,260,839

Proposition C 10% Funds:

For FY 18, LACMTA's share of SCRRA's Operations is \$71,659,000 which is a projected decrease of \$0.8 million (.3%) over FY17 levels (refer to Table 2). This decrease is attributable to reduced fuel and equipment maintenance costs. The FY18 SCRRA's budget anticipates the operation of 172 weekday and 90 weekend trains, the addition of Sunday Service on Holidays and no fare increase.

It is important to note that the SCRRA' operating subsidy request has dramatically increased over the past five years with an 88 percent increase in Metro's subsidy since FY12. This trend is not sustainable and exceeds LACMTA's Long Range Transportation Plan projection. Staff continues to work with SCRRA to control and reduce SCRRA's operating costs.

TABLE 2- METROLINK OPERATIONS BUDGET SUMMARY (\$000)

	FY17	FY18	DIFF.	CHANGE *
Expenses	\$ 243,815	\$ 243,045	\$ (770)	(0.3%)
Revenues	\$ 102,246	\$ 100,646	\$(1,600)	(1.6%)
Member Agency	\$ 141,569	\$ 142,399	\$ 830	0.6%
Metro Subsidy	\$ 71,794	\$ 71,659	\$ (135)	(0.2%)
Metro Share of	50.7%	50.3%		

* Numbers may be subject to minor rounding

Right-of-Way (ROW) Security Services to Be Provided by L.A. Sheriffs (LASD) - \$2,360,550

SCRRA contracts with the LASD to provide core security and fare enforcement services on board trains and at stations. In addition to core security services, LACMTA provides additional subsidy to SCRRA for supplemental LASD services on SCRRA ROW owned by LACMTA. The budget amount for 9.5 full time equivalents (FTEs) is to provide a dedicated security presence along LACMTA owned ROW, and to more quickly respond to incidents along the ROW within Los Angeles County.

Antelope Valley Line Fare Reduction Program - \$1,262,000

The Antelope Valley Line 25% Fare Reduction Program has been successful in attracting riders to the Metrolink system. The results through March 2017 show that the ridership is up 23% over FY16. SCRRA is requesting \$1,262,000 to continue this program for FY18. This program was initially estimated to cost \$2,500,000 for FY16 and the actual costs have resulted in a \$1.2M savings.

Antelope Valley Line 100% Fare Enforcement Program - \$1,910,289

Along with the Fare Reduction program, the 100% Fare Enforcement program has also been successful. The L.A. County Sheriff's report that fare evasion is lower, down from the estimated 3.5% prior to the programs implementation. However, there are concerns that Amtrak has not been able to fully staff the program. Metro staff is working with Metrolink to assess whether a blended approach of utilizing security guards to supplement the Amtrak vacancies to perform fare enforcement duties is an option.

Metrolink is requesting \$1,910,289 to continue this program for FY18. If the blended approach is implemented this will result in substantial cost reductions to Metro.

Additional FY17 Funding Request for the Antelope Valley Line 100% Fare Enforcement Program - \$305,573

On July 29, 2016, SCRRA received the final Amtrak operating budget detailing the costs to provide the AVL Fare Enforcement program. Although efforts had been made to receive this information well in advance of finalizing the respective agency budgets, the information was received after Metro's and Metrolink's boards approved their budgets.

On March 7, 2017, via email, Metrolink requested additional FY17 funding in the amount of \$305,573 for the AVL Fare Enforcement program increasing the FY17 funding commitment from \$1,700,000 to \$2,005,573. Staff is seeking authority to apply FY16 surplus operating funds to cure this shortfall due to Metrolink's FY16 and FY17 budget under runs alleviating the need to increase FY17 budget authority.

Special Event Services - \$250,000

An additional \$250,000 in funding is requested for the following special events:

- Los Angeles County Fair Trains
- L.A. Rams Games
- Cic La Via Events
- Dodgers/Angels Trains
- Any other special services/events which may occur.

These services provide alternate transportation and reduce congestion for these large scale events which usually occur during peak commuter hours.

Measure R 3% Funds:

Staff is requesting \$6,819,000 to overhaul 28 in service Sentinel/Bombardier passenger cars in order to comply with current standards and regulations. The scope of the overhaul will include the remanufacture, refurbishment, renewal, replacement and reconditioning of existing hardware, components, equipment, systems and apparatus to extend the useful life of these passenger rail vehicles which are original equipment of SCRRA's fleet.

The total cost to overhaul these cars is \$40,500,000. SCRRA was awarded State Proposition 1A grant in the amount of \$20,207,000 and Public Transportation Modernization Improvement and Service Enhancement grant in the amount of \$4,774,000. In addition, SCRRA will use approximately \$1,162,776 of insurance funds which overall reduces the member agencies' contribution to \$14,356,224. Metro's share (of the \$14,356,224) is \$6,819,000. SCRRA has delayed this project several years and may lose the grant funds if this project is not completed.

Extend Lapsing Date of Rehabilitation/Renovation Funds

This recommended board action extends SCRRA's FY 2013-14 funding in the amount of \$955,790 from expiring on June 30, 2017 to June 30, 2018. SCRRA rehabilitation and renovation projects span over multiple years to maximize economy of scale and take advantage of matching federal funds. As a result, funds programmed over multiple years may not be completely invoiced prior to lapsing and LACMTA does not recognize project completion until we are invoiced. In FY15 LACMTA extended the lapsing period to four years and extended the lapsing dates of several MOUs. SCRRA has reassured staff that their work is in progress and will be completed and invoiced within a year.

Transfers to Other Operators Payment Rate to LACMTA

SCRRA reimburses LACMTA for Metrolink riders who transfer to and from LACMTA services for free,

including the rail system at Union Station, through the EZ Transit Pass Program. For FY18, staff is recommending the reimbursement rate remain at \$1.10, the same as for FY17, and that the existing EZ Transit Pass cap of \$5,592,000 be honored.

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no impact on the safety of Metro's patrons or employees.

FINANCIAL IMPACT

SCRRA has requested \$84,260,839 for LACMTA's total FY18 Annual Work Program programming authority consisting of \$77,441,839 in Proposition C 10% and \$6,819,000 in Measure R 3% funding. The Metro Board approved the FY18 Budget on May 25, 2017, consisting of \$76,926,500 in Proposition C 10% funding. This shortfall of \$515,365 along with the additional funding request of \$305,573 for the Antelope Valley 100% Fare Enforcement program totaling \$820,938 will be deducted from surplus FY16 operating funds already in Metrolink's possession.

ALTERNATIVES CONSIDERED

There is no alternative to the recommendations if SCRRA is to operate the recommended service levels and maintain the railroad in a state of good repair.

NEXT STEPS

LACMTA staff working collaboratively with SCRRA staff will:

- Continue to review and analyze Metrolink's rehabilitation and renovation program including project priorities, costs and schedules.
- Provide ongoing updates to the Board.

The SCRRA Board is scheduled to adopt its FY18 Budget on June 23, 2017. LACMTA staff will monitor implementation of SCRRA's budget and report back to the LACMTA Board with any issues requiring Board action.

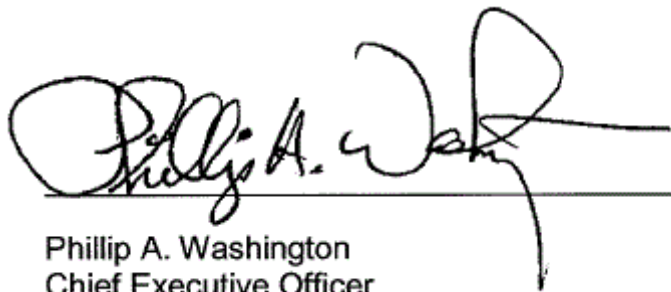
ATTACHMENTS

Attachment A - A) SCRRA FY 2017-18 Revised Budget Transmittal dated May 6, 2017

Prepared by: Yvette Reeves, Principal Transportation Planner - (213) 922-4612

Jeanet Owens, Sr. Executive Officer, Regional Rail (213) 922-6877

Reviewed by: Richard Clarke, Chief Program Management Officer (213) 922-7557



Phillip A. Washington
Chief Executive Officer

ATTACHMENT A



METROLINK.

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

One Gateway Plaza Twelfth Floor Los Angeles, CA 90012

metrolinktrains.com

May 16, 2017

SENT VIA EMAIL

TO: Darrell Johnson, *Chief Executive Officer, OCTA*
Darren Kettle, *Executive Director, VCTC*
Anne Mayer, *Executive Director, RCTC*
Phil Washington, *Chief Executive Officer, Metro*
Dr. Raymond Wolfe, *Executive Director, SBCTA*

FROM: Arthur T. Leahy, *Chief Executive Officer, SCRRA*

SUBJECT: SCRRA Revised Preliminary FY2018 Budget

On May 1, 2017, we transmitted to each of you a Preliminary FY 2017-18 (FY18) SCRRA Budget for Operations and Rehabilitation/New Capital. This was later revised on May 4, 2017 to include the proposed R2R Increase from LOSSAN as directed by our Board of Directors on April 21, 2017.

At the May 12, 2017, Board Meeting, the Directors voted to include two more items in the FY18 Preliminary Budget. These two items are a one-year Pilot Sunday Service on the Holidays, net cost of \$72k, and a few critical IT Projects designed to enhance customer communication and operational efficiency totaling \$350k.

The attached Revised Preliminary FY18 Budget and accompanying attachments reflects those two additional items. The Budget Summary, Operating Revenues and Operating Expenditure sections have all been revised for this adjustment as well.

Budget Priorities for FY18

The FY18 Preliminary Budget as proposed reflects priorities consistent with the "back to basics" approach outlined in the Strategic Plan, adopted in March 2016. The budget provides funding in alignment with the Authority's strategic goals and includes the following priorities for the upcoming fiscal year:

- Continued emphasis on safe operations, with the full implementation of Positive Train Control (PTC) as the centerpiece of our efforts.
- Improved reliability and on-time performance, by putting Tier 4 locomotives into service and

providing funding necessary for required equipment maintenance, consistent with the Fleet Management Plan.

- Enhanced customer experience, by implementing upgrades to the mobile ticketing application and a modernized ticket vending system.
- Investment in existing assets to maintain a state of good repair, by funding critical rehabilitation projects and improving processes to accelerate project delivery.
- Ongoing workforce development, by training and engaging employees.

Overall Summary

The FY18 Preliminary Budget as proposed includes new budgetary authority of \$337.9 million. The Preliminary Budget consists of Operating Budget authority of \$243.0 million, a decrease of 0.3% as compared to the FY17 Adopted Budget. New capital authority totals \$94.9 million, \$89.6 million for Rehabilitation Projects and \$5.3 million for New Capital Projects. Carryover of New Capital Projects approved in prior years is \$264.4 million, and carryover of Rehabilitation Projects approved in prior years is \$52.5 million.

Revised Preliminary Operating Budget for FY18

(\$000s)	TOTAL FY17-18	Metro Share	OCTA Share	RCTC Share	SBCTA Share	VCTC Share
Revenues						
Gross Farebox	\$85,159	\$42,031	\$22,453	\$7,759	\$10,512	2,404
Dispatching	2,125	1,130	684	6	55	250
Other Operating	12	6	3	1	2	-
Maintenance-of-Way	13,350	8,052	2,531	667	1,556	544
Total Revenues FY18 Budget	\$100,646	\$51,219	\$25,671	\$8,433	\$12,124	\$3,199
Expenses						
Train Operations & Services	\$143,486	\$72,153	\$33,859	\$15,860	\$15,429	6,185
Maintenance-of-Way	41,607	22,046	8,446	3,200	5,458	2,458
Administration & Services	40,289	19,261	7,314	5,736	4,172	3,806
Insurance	17,663	9,418	4,290	1,342	2,026	586
Total Expense FY18 Budget	\$243,045	\$122,877	\$53,910	\$26,139	\$27,084	\$13,035
Total FY18 Budget Subsidy by Member	\$142,399	\$71,659	\$28,239	\$17,705	\$14,960	\$9,836
FY 2016-17 Budget Subsidy by Member	\$141,989	\$71,998	\$28,294	\$17,345	\$14,841	\$9,511
Over/(Under) Last Year Budget	410	(340)	(56)	361	119	325
Percent of Change	0.3%	(0.5%)	(0.2%)	2.1%	0.8%	3.4%

Numbers may not foot due to rounding.

Major Assumptions for FY18 Preliminary Operating Budget

- No fare increase.
- A slight increase (0.7%) of Farebox Revenues.
- Reflects the implementation of a Fuel Hedging Program purchase fuel for efficiently and stabilize the fuel budget from year to year.
- Reflects the reduction of 2.0 FTE positions.
- Reflects a 2.0% Cost of Living Adjustment, and a 3.0% Pool for Performance Based Merit Adjustment.
- Reflects the final portion of \$3.0m for the reservation of the insurance deductible related to the Oxnard incident.
- Assumes the operation of a total of 2.8 million revenue service miles through the operation of 172 weekday trains and 90 weekend trains.
- Adds Sunday Service on Holidays
- No incremental regular services were requested for FY18.

All operational budget description below refers to attached detailed Attachments A through D.

Operating Revenues

Operating revenues include farebox, dispatching revenues, maintenance-of-way revenues, interest, other minor miscellaneous revenues, which are estimated to total \$100.6 million for FY18, a decrease of \$1.2 million or 1.2% compared to the FY17 Adopted Budget.

Farebox Revenues, the largest operating revenue of the budget, are projected to increase \$0.6 million or 0.7% compared to the FY17 Adopted Budget to a total of \$85.2 million.

Dispatching and Maintenance of Way (MOW) revenues from the freight railroads and Amtrak are estimated from existing agreements based on projections of current usage. The FY18 Preliminary Revenue projection estimates a decrease of 18.0% in Dispatch Revenues from the FY17 Adopted Budget to a total of \$2.1 million. This decrease is primarily the result of lower on time bonuses from Amtrak based on lower on time performance as a result of scheduled track closures or non-running Amtrak trains on weekends. This reduces the number of trains and the number of train miles which reduces the calculation for Amtrak Intercity revenues. The FY18 proposed MOW Revenues are projected to decrease 8.8% to \$13.4 million. Reduced rail freight traffic for the largest segment of our MOW Revenue (Saugus-UPRR) translates to a reduction of our revenue which is calculated based on 'car miles'. We are currently in negotiation with Union Pacific to review this and other reciprocal agreements with that Freight Line. Our goal with both Union Pacific and the other Freight Rail Roads is to receive an amount for Maintenance of Way commensurate with our current costs, and more reflective of the additional wear on our system for the heavier loads carried by the transport of freight.

Operating Expenditures

Train Operations, Maintenance-of-Way (MOW), Administration, and Insurance

The Train Operations component of the budget consists of those costs necessary to provide Metrolink commuter rail services across the six-county service area, including the direct costs of railroad operations, equipment maintenance, required support costs, and other administrative and operating costs. The FY18 Revised Preliminary Budget for expenditures related to Train Operations is \$143.5 million.

Ordinary MOW expenditures are those costs necessary to perform the inspections and repairs needed to assure the reliable, safe operation of trains and safety of the public. The FY18 budgeted amount for expenditures related to MOW is \$41.6 million.

The FY18 Preliminary Budget for expenditures related to Administration & Services is \$40.3 million and Insurance/Claims \$17.7 million.

Overall, the total FY18 preliminary budgeted expenditures have decreased from the FY17 Adopted Budget by \$0.8m or 0.3%. The components of this change are as described below.

- Total Train operations have decreased by \$1.2 million. The primary reasons for the \$1.2 million decrease are: Amtrak increase \$0.3m (Holiday service); Fuel costs have reduced by \$3.1m due to a combination of Fuel hedging and lower diesel prices; Equipment maintenance is down \$0.9m, a combination of an increase of \$2.5m in the Bombardier equipment Maintenance agreement (which increased in this year to provide an agreement for a lower (3.5%) increase fixed for the next eight year and a decrease of \$2.7m in material issues for rolling stock repairs and a decrease in Other Mechanical Services of \$0.7m; offset by increases in Sheriffs of \$0.3m and increases in Guards of \$0.8m. (Guards are up as a result of a very low bid for 1st year services in a multi-year agreement. The bid is still the lowest overall); Utilities/Leases increase of \$0.5m; Amtrak Transfers have increased by \$0.8m as a result of a transfer price increase by LOSSAN.
- Maintenance of Way has increased by \$2.0 million. The primary reasons for the increase are Track maintenance, up \$0.4m; Signal/Communications maintenance \$1.2m (as a result of the necessity to focus recent rehabilitation efforts on Track and Structures); Overhead allocation \$0.5m; Labor & fringe \$0.6m; all other categories total increase of \$0.8m offset by decrease in Extraordinary Maintenance \$0.4m, PTC \$1.1M.
- Administration and Services have increased by \$3.6 million. The primary reasons for the increase include \$2.0m in the Ops Non Labor Category as a result of a PTC WABTEC license maintenance fee. (The original contract which was negotiated to include maintenance and was included in Capital, has now expired. In FY18, this becomes an operating cost for the Authority.) Indirect Administrative Expense as a result of \$0.4 in IT projects. Operations Professional Services increased by \$1.3m due to the combination of a consultant to monitor the new Bombardier Contract, \$0.6m and CFR training to comply with FRA regulations \$0.3m, and a consultant to establish a ticket sales system at retail stores, \$0.4m.
- Total Insurance expense increased by \$0.9m. The primary reason for the increase is the incremental increase of \$1.0m to provide a reserve for insurance deductible related to the Oxnard Incident, offset by an insurance premium decrease of \$0.1m.

The attachments as listed below provide additional detail on the FY18 Preliminary Operating Budget as described.

- Attachment A: Presents a summary of the Revenues, Expenses and Subsidy proposed for FY18. This attachment also shows a comparison to the FY17 Adopted Budget.
- Attachment B: Presents the Historical Detailed Annual Operating Budget by Cost Component. The attachment provides Actual expense for FY14, FY15 & FY16, Adopted Budget for FY17 and Preliminary Budget for FY18, with a variance comparison between FY17 Adopted Budget and FY18 Preliminary Budget.
- Attachment C: Presents the Detailed FY18 Preliminary Annual Operating Budget by Cost Component by Member Agency.
- Attachment D: Presents an analysis of the elements of change (as described above) between the FY17 Adopted Budget and the FY18 Preliminary Budget.
- Attachment E (NEW): Presents the Net Local Subsidy by Member at full dollar amount with comparisons to prior years. This was a request from Members who require full dollar amounts for the construction of their Board requests.

Capital Budget

Carryforward from prior years

Capital Projects are frequently multi-year endeavors. Unexpended project balances are referred to as "Carryovers" because their uncompleted balance moves forward to the following year. Projects authorized in prior years but "carried over" total \$52.5 million for Rehabilitation and \$264.4 million for New Capital. They are shown in detail on Attachments O and P respectively.

Preliminary Capital Rehabilitation Request for FY18

FY18 Rehab Project Allocation by Funding Source (Includes Other Funding Sources)							(000s)
Asset / Funding Source	Metro	OCTA	RCTC	SBCTA	VCTC	Other	Total
Business Systems	\$ 864	\$ 360	\$ 202	\$ 262	\$ 131		\$ 1,819
Communications	\$ 303	\$ 170	\$ 61	\$ 84	\$ 57		\$ 675
Facilities	\$ 1,140	\$ 79	\$ 44	\$ 58	\$ 29		\$ 1,349
Grade Crossing	\$ 6,501	\$ 666	\$ 59	\$ 1,286	\$ 930		\$ 9,442
Non-Revenue Fleet	\$ 552	\$ 230	\$ 129	\$ 167	\$ 84		\$ 1,163
Rolling Stock	\$ 7,342	\$ 3,060	\$ 1,716	\$ 2,226	\$ 1,113	\$ 26,144	\$ 41,600
Signals	\$ 6,049	\$ 1,015	\$ 569	\$ 943	\$ 883		\$ 9,460
Structures	\$ 4,089	\$ 1,225					\$ 5,314
Track	\$ 12,939	\$ 539	\$ 302	\$ 2,248	\$ 1,896	\$ 812	\$ 18,736
Total All-Share	\$ 12,977	\$ 5,409	\$ 3,033	\$ 3,934	\$ 1,967	\$ 26,144	\$ 53,464
Total Line-Specific	\$ 26,802	\$ 1,936	\$ 50	\$ 3,340	\$ 3,155	\$ 812	\$ 36,095
Proposed Rotem Repayments	\$ 5,409	\$ (6,059)		\$ 650			\$ -
Grand Total	\$ 45,189	\$ 1,286	\$ 3,083	\$ 7,924	\$ 5,122	\$ 26,956	\$ 89,559

The Capital Rehabilitation authorization request for FY18 was identified as necessary investments to maintain a state of good repair. These projects total \$89.6 million and are represented in summary in Attachment F, and in detail in Attachment G.

Additional Capital Rehabilitation projects shown for FY19 and FY20 cover many other projects critical to the safe operation of the railroad. Over a number of years, a significant backlog of deferred maintenance has accrued, creating the large numbers shown in the FY19 Rehabilitation Project Listing (Attachment K) and FY20 Rehabilitation (Attachment L) project listing.

Preliminary New Capital Request for FY18

FY18 Capital Project Allocation by Funding Source							(000s)
Asset / Funding Source	Metro	OCTA	RCTC	SBCTA	VCTC	Other	Total
Business Systems	\$ 99	\$ 41	\$ 23	\$ 30	\$ 15		\$ 208
Track	\$ 950	\$ 396	\$ 222	\$ 288	\$ 144		\$ 2,000
PTC Systems	\$ 1,458	\$ 608	\$ 341	\$ 442	\$ 221		\$ 3,070
Total All-Share	\$ 2,507	\$ 1,045	\$ 586	\$ 760	\$ 380		\$ 5,278
Grand Total	\$ 2,507	\$ 1,045	\$ 586	\$ 760	\$ 380		\$ 5,278

The New Capital authorization request for FY18 was identified as necessary for safe and efficient rail operations. These projects total \$5.3 million and are represented in summary in Attachment F, and in detail in Attachment H.

New Capital projects in FY19 and FY20 are shown on Attachments M and N.

The attachments as listed below provide additional detail on the FY18 Preliminary Capital Budget request.

- Attachment F (NEW): Presents a new Project Request Summary Dashboard displaying a summary of requests by asset type, funding by type and by Member Agency, a visual depiction of the Request Refinement Process, and a map showing the effected lines.
- Attachment G: Presents the Detailed FY18 Preliminary Rehabilitation Request, listing each project by Sub Division, showing condition, system impact, asset type, with a description and requested funding by Member Agency.
- Attachment H: Presents the Detailed FY18 Preliminary New Capital Request listing each Project and requested funding by Member Agency.
- Attachment O: Presents the Detailed listing of projects of Rehabilitation projects authorized in previous years which are still in process, and thus Carried Forward.
- Attachment P: Presents the Detailed listing of projects of New Capital projects authorized in previous years which are still in process, and thus Carried Forward.

Operating and Capital Budget Projections for FY19 and FY20

The FY18 Preliminary Budget will be transmitted to Member Agencies for consideration. The FY19 and FY20 projected budgets are included in this report for informational purposes only. The FY19 and FY20 Projected Operating Budgets are based upon known contractual changes in combination

with a projected inflation factor (3%) applied to all other costs. FY19 and FY20 Capital Projects are based on specific projects, identified, but beyond our capacity to initiate in FY18.

Attachments for FY19 and FY20 Projections are as listed below:

- Attachment I: Presents the Detailed FY19 Forecasted Annual Operating Budget by Cost Component.
- Attachment J: Presents the Detailed FY20 Forecasted Annual Operating Budget by Cost Component.
- Attachment K: Presents the Detailed FY19 Forecasted Rehabilitation Project Listing.
- Attachment L: Presents the Detailed FY20 Forecasted Rehabilitation Project Listing
- Attachment M: Presents the Detailed FY19 Forecasted New Capital Project Listing
- Attachment N: Presents the Detailed FY20 Forecasted New Capital Project Listing

Next Steps

- May/June: Staff present to Member Agencies Committee and Boards as requested
- June: FY18 Proposed Budget to SCRRA Board for Adoption

Thank you for your ongoing support and active participation in the development of the FY18 Preliminary Budget. SCRRA staff remain available to address any questions or concerns you have as we anticipate adoption of the budget by the SCRRA Board of Directors in June 2017. If you have any comments or concerns, please do not hesitate to contact me directly at (213) 452-0269. You may also contact Ronnie Campbell, Chief Financial Officer at 213-452-0285.

Summary of the Revenues, Expenses, and Subsidy

(\$000s)	TOTAL FY17-18	Metro Share	OCTA Share	RCTC Share	SBCTA Share	VCTC Share
Revenues						
Gross Farebox	\$85,159	\$42,031	\$22,453	\$7,759	\$10,512	2,404
Dispatching	2,125	1,130	684	6	55	250
Other Operating	12	6	3	1	2	-
Maintenance-of-Way	13,350	8,052	2,531	667	1,556	544
Total Revenues FY18 Budget	\$100,646	\$51,219	\$25,671	\$8,433	\$12,124	\$3,199
Expenses						
Train Operations & Services	\$143,486	\$72,153	\$33,859	\$15,860	\$15,429	6,185
Maintenance-of-Way	41,607	22,046	8,446	3,200	5,458	2,458
Administration & Services	40,289	19,261	7,314	5,736	4,172	3,806
Insurance	17,663	9,418	4,290	1,342	2,026	586
Total Expense FY18 Budget	\$243,045	\$122,877	\$53,910	\$26,139	\$27,084	\$13,035
Total FY18 Budget Subsidy by Member	\$142,399	\$71,659	\$28,239	\$17,705	\$14,960	\$9,836
FY 2016-17 Budget Subsidy by Member	\$141,989	\$71,998	\$28,294	\$17,345	\$14,841	\$9,511
Over/(Under) Last Year Budget	410	(340)	(56)	361	119	325
Percent of Change	0.3%	(0.5%)	(0.2%)	2.1%	0.8%	3.4%

**SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY
FISCAL YEAR 2017-18 REVISED PRELIMINARY BUDGET**

Attachment B

Comparative Annual Operating Budget

by Cost Component by Year

(\$000s)	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual	FY 16-17 Budget	FY 17-18 Preliminary Budget	FY16-17 Budget vs FY17-18 Budget	
						Change	%
Operating Revenue							
Farebox Revenue	85,673	83,134	83,652	83,556	83,897	341	0.4%
Metro Fare Reduction Subsidy			873	1,025	1,262	236	23.0%
Subtotal-Pro Forma FareBox	85,673	83,134	84,524	84,582	85,159	577	0.7%
Dispatching	2,480	2,493	2,120	2,590	2,125	(465)	(18.0%)
Other Revenues	319	372	429	12	12	-	0.0%
MOW Revenues	12,922	13,207	12,434	14,641	13,350	(1,291)	(8.8%)
Subtotal Operating Revenue	101,394	99,207	99,507	101,825	100,646	(1,179)	(1.2%)
Operating Expenses							
<u>Operations & Services</u>							
Train Operations	37,043	40,569	41,887	43,942	44,642	701	1.6%
Equipment Maintenance	28,542	32,649	33,751	37,581	36,691	(890)	(2.4%)
Fuel	26,161	24,454	17,381	22,772	19,656	(3,116)	(13.7%)
Non-Scheduled Rolling Stock Repairs	2	2	136	100	100	-	0.0%
Operating Facilities Maintenance	1,056	1,120	1,149	1,418	1,652	234	16.5%
Other Operating Train Services	264	293	239	496	470	(26)	(5.3%)
Rolling Stock Lease	-	105	638	370	151	(219)	(59.2%)
Security - Sheriff	4,482	5,136	4,912	5,511	5,845	334	6.1%
Security - Guards	2,170	1,591	1,685	2,000	2,837	837	41.9%
Supplemental Additional Security	763	81	-	690	690	-	0.0%
Public Safety Program	157	177	217	320	277	(44)	(13.6%)
Passenger Relations	1,622	1,639	1,748	2,069	1,795	(274)	(13.2%)
TVM Maintenance/Revenue Collection	5,343	5,984	6,554	7,495	7,510	15	0.2%
Marketing	949	949	1,137	1,220	1,364	144	11.8%
Media & External Communications	226	234	343	396	443	47	11.9%
Utilities/Leases	3,180	2,622	2,046	2,778	3,289	512	18.4%
Transfers to Other Operators	6,469	7,081	6,488	6,577	6,592	14	0.2%
Amtrak Transfers	917	800	1,287	1,400	2,177	777	55.5%
Station Maintenance	1,190	1,121	1,418	1,640	1,687	47	2.9%
Rail Agreements	4,992	4,997	5,207	5,379	5,366	(12)	(0.2%)
Subtotal Operations & Services	125,528	131,602	128,223	144,153	143,234	(919)	(0.6%)
<u>Maintenance-of-Way</u>							
MoW - Line Segments	28,152	33,043	37,936	38,102	40,606	2,504	6.6%
MoW - Extraordinary Maintenance	1,322	1,235	1,518	1,490	1,001	(489)	(32.8%)
Subtotal Maintenance-of-Way	29,475	34,278	39,453	39,592	41,607	2,015	5.1%
<u>Administration & Services</u>							
Ops Salaries & Fringe Benefits	11,127	11,535	12,892	14,019	13,961	(59)	(0.4%)
Ops Non-Labor Expenses	3,424	3,651	5,322	5,384	7,374	1,990	37.0%
Indirect Administrative Expenses	12,679	11,791	12,417	15,507	15,870	364	2.3%
Ops Professional Services	464	969	2,019	1,816	3,084	1,268	69.9%
Subtotal Admin & Services	27,694	27,946	32,651	36,726	40,289	3,563	9.7%
Contingency (Non-Train Ops)	21	14	47	502	252	(250)	(49.8%)
Total Operating Expenses	182,718	193,839	200,374	220,973	225,382	4,409	2.0%

Insurance Expense/(Revenue)

Liability/Property/Auto	14,252	12,597	11,634	12,588	12,475	(113)	(0.9%)
Claims / SI	1,457	1,884	3,876	3,000	4,000	1,000	33.3%
Claims Administration	743	1,145	421	1,198	1,187	(11)	(0.9%)
PLPD Revenue	(178)	(1)	(22)	-	-	-	N/A
Net Insurance Expense	16,273	15,625	15,909	16,787	17,663	876	5.2%
Total Expense Before BNSF	198,991	209,464	216,283	237,760	243,045	5,285	2.2%
Loss Before BNSF	(97,598)	(110,257)	(116,776)	(135,934)	(142,399)	(6,465)	4.8%

Member Subsidies

Operations	83,052	92,252	109,003	119,148	124,736	5,589	4.7%
Insurance	17,302	17,678	18,079	16,787	17,663	876	5.2%
Member Subsidies - Normal Ops	100,354	109,930	127,082	135,934	142,399	6,465	4.8%
Surplus / (Deficit) Before BNSF	2,757	(328)	10,306	-	-	-	N/A

(\$000s)	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18 Preliminary Budget	FY16-17 Budget vs FY17-18 Budget	
	Actual	Actual	Actual	Budget		Change	%

BNSF LEASED LOCOMOTIVE COSTS

Lease cost inc. ship	-	-	4,449	2,525	-	(2,525)	(100.0%)
Major Component Parts	-	-	720	-	-	-	N/A
Labor for Maintenance	-	-	2,597	900	-	(900)	(100.0%)
Additional Fuel	-	-	1,341	1,230	-	(1,230)	(100.0%)
Wheel truing, Software Mods, Brakes	-	-	37	-	-	-	N/A
Temp Facility Mods	-	-	136	-	-	-	N/A
PTC Costs	-	-	1,116	1,399	-	(1,399)	(100.0%)
Contingency	-	-	-	-	-	-	N/A
Total BNSF Lease Loco Expenses	-	-	10,397	6,055	-	(6,055)	(100.0%)
Member Subsidies - BNSF Lease	-	-	11,545	6,055	-	(6,055)	(100.0%)
Surplus / (Deficit) - BNSF Lease	-	-	1,148	-	-	-	N/A

Total Expenses	198,991	209,464	226,680	243,814	243,045	(769)	(0.3%)
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Net Loss	(97,598)	(110,257)	(127,173)	(141,989)	(142,399)	(410)	0.3%
All Member Subsidies	100,354	109,930	138,627	141,989	142,399	410	0.3%
Surplus / (Deficit)	2,757	(328)	11,454	-	-	-	N/A

Numbers may not foot due to rounding.

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY
FISCAL YEAR 2017-2018 REVISED PRELIMINARY BUDGET

ATTACHMENT C

FY18 Annual Operating Budget
by Cost Component By Member Agency

(\$000s)	Total FY17-18	Metro	OCTA	RCTC	SBCTA	VCTC
Operating Revenue						
Farebox Revenue	83,897	40,769	22,453	7,759	10,512	2,404
Metro Fare Reduction Subsidy	1,262	1,262	-	-	-	-
Subtotal-Pro Forma FareBox	85,159	42,031	22,453	7,759	10,512	2,404
Dispatching	2,125	1,130	684	6	55	250
Other Revenues	12	6	3	1	2	
MOW Revenues	13,350	8,052	2,531	667	1,556	544
Subtotal Operating Revenue	100,646	51,219	25,671	8,433	12,124	3,199
Operating Expenses						
<u>Operations & Services</u>						
Train Operations	44,642	23,764	10,028	4,546	4,683	1,622
Equipment Maintenance	36,691	18,385	8,591	3,799	4,300	1,616
Fuel	19,656	10,094	4,951	1,960	2,020	631
Non-Scheduled Rolling Stock Repairs	100	53	24	8	11	3
Operating Facilities Maintenance	1,652	881	401	126	189	55
Other Operating Train Services	470	222	81	70	48	49
Rolling Stock Lease	151	72	30	17	22	11
Security - Sheriff	5,845	3,098	1,180	843	601	122
Security - Guards	2,837	1,338	489	424	290	296
Supplemental Additional Security	690	341	182	63	85	19
Public Safety Program	277	130	48	41	28	29
Passenger Relations	1,795	899	461	146	230	58
TVM Maintenance/Revenue Collection	7,510	3,129	1,650	1,252	1,024	454
Marketing	1,364	703	330	109	176	45
Media & External Communications	443	209	76	66	45	46
Utilities/Leases	3,289	1,551	567	492	336	343
Transfers to Other Operators	6,592	3,535	1,577	521	731	228
Amtrak Transfers	2,177	694	1,375	-	-	108
Station Maintenance	1,687	1,036	240	108	226	78
Rail Agreements	5,366	1,902	1,533	1,231	356	344
Subtotal Operations & Services	143,234	72,034	33,816	15,823	15,403	6,159
<u>Maintenance-of-Way</u>						
MoW - Line Segments	40,606	21,458	8,317	3,103	5,350	2,378
MoW - Extraordinary Maintenance	1,001	587	129	97	108	80
Subtotal Maintenance-of-Way	41,607	22,046	8,446	3,200	5,458	2,458
<u>Administration & Services</u>						
Ops Salaries & Fringe Benefits	13,961	6,581	2,417	2,082	1,428	1,452
Ops Non-Labor Expenses	7,374	3,745	1,630	818	806	375
Indirect Administrative Expenses	15,870	7,481	2,736	2,374	1,622	1,657
Ops Professional Services	3,084	1,454	532	461	315	322
Subtotal Admin & Services	40,289	19,261	7,314	5,736	4,172	3,806
<u>Contingency (Non-Train Ops)</u>	252	119	43	38	26	26
Total Operating Expenses	225,382	113,460	49,620	24,796	25,058	12,448
Insurance Expense/(Revenue)						
Liability/Property/Auto	12,475	6,652	3,030	948	1,431	414
Claims / SI	4,000	2,133	972	304	459	133
Claims Administration	1,187	633	288	90	136	39
PLPD Revenue	-	-	-	-	-	-
Net Insurance Expense	17,663	9,418	4,290	1,342	2,026	586
Total Expense Before BNSF	243,045	122,877	53,910	26,139	27,084	13,035
Loss Before BNSF	(142,399)	(71,659)	(28,239)	(17,705)	(14,960)	(9,836)

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY
FISCAL YEAR 2017-2018 REVISED PRELIMINARY BUDGET

ATTACHMENT C

FY18 Annual Operating Budget
by Cost Component By Member Agency

(\$000s)	Total FY17-18	Metro	OCTA	RCTC	SBCTA	VCTC
Member Subsidies						
Operations	124,736	62,241	23,949	16,363	12,934	9,250
Insurance	17,663	9,418	4,290	1,342	2,026	586
Member Subsidies - Normal Ops	142,399	71,659	28,239	17,705	14,960	9,836
Surplus / (Deficit) Before BNSF	-	-	-	-	-	-
TOTAL EXPENSE						
	243,045	122,877	53,910	26,139	27,084	13,035
Net Loss	(142,399)	(71,659)	(28,239)	(17,705)	(14,960)	(9,836)
Total Member Subsidies	142,399	71,659	28,239	17,705	14,960	9,836
Surplus / (Deficit)	-	-	-	-	-	-

**SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY
FISCAL YEAR 2017-18 PRELIMINARY BUDGET**

Attachment D

Change Drivers

FY17 Adopted Budget vs. FY18 REVISED Preliminary Budget

(millions')

FY 2017 Amended Adopted Budget	\$	243.8	
FY 2018 Preliminary Budget	\$	<u>243.0</u>	
Total Operational Expense Budget Increase	\$	<u>(0.8)</u>	(0.3%)

CHANGE DRIVERS:

Parts for Rolling Stock Repair	\$	(2.7)
Fuel	\$	(3.1)
Big Five Train Operations	\$	2.8
Guards	\$	0.8
Big Five MOW	\$	1.5
WABTEC License	\$	2.0
IT Projects	\$	0.4
Contract & FRA Training Require	\$	0.9
Retail Ticket Consult	\$	0.4
Insurance Deductible (Oxnard incident)	\$	1.0
BNSF decrease	\$	(6.1)
Position reduction	\$	(0.3)
2% COLA/ 3% Merit (Operations only)	\$	0.8
LOSSAN Increase	\$	<u>0.8</u>
	\$	<u>(0.8)</u>

Numbers may not foot due to rounding.

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY
FISCAL YEAR 2018 REVISED PRELIMINARY BUDGET

Attachment E

Net Local Subsidy by Member Agency

	Total Net Local Subsidy	Metro Share	OCTA share	RCTC Share	SBCTA Share	VCTC Share
FY 15 ACTUAL	\$110,257,381	\$59,029,731	\$22,251,609	\$9,387,630	\$11,605,317	\$7,983,094
FY16 ACTUAL	\$127,172,992	\$66,468,865	\$24,974,739	\$13,799,263	\$13,057,846	\$8,872,279
FY17 BUDGET	\$141,989,009	\$71,998,203	\$28,294,475	\$17,344,511	\$14,840,903	\$9,510,917
FY18 BUDGET	\$142,399,000	\$71,658,558	\$28,238,881	\$17,705,400	\$14,959,772	\$9,836,207

YEAR OVER YEAR CHANGE

	Total Net Local Subsidy	Metro Share	OCTA share	RCTC Share	SBCTA Share	VCTC Share
FY15 vs FY16						
\$ Increase	\$16,915,611	\$7,439,134	\$2,723,130	\$4,411,633	\$1,452,529	\$889,185
% Increase	15.3%	12.6%	12.2%	47.0%	12.5%	11.1%
FY16 vs FY17						
\$ Increase	\$14,816,017	\$5,529,338	\$3,319,736	\$3,545,248	\$1,783,057	\$638,638
% Increase	11.7%	8.3%	13.3%	25.7%	13.7%	7.2%
FY17 vs FY18						
\$ Increase	\$409,809	(\$339,645)	(\$55,594)	\$360,888	\$118,869	\$325,291
% Increase	0.3%	(0.5%)	(0.2%)	2.1%	0.8%	3.4%

Analysis of 17 vs 18 variance:
(millions')

Revenue	Decrease in Revenue (Primarily Saugus MOW Revenue from UPRR)	\$	1.5
	Increase -Sunday Service on Holidays	\$	(0.3)
Expense	Parts for Rolling Stock Repair	\$	(2.7)
	Fuel	\$	(3.1)
	Big Five Train Operations	\$	2.8
	Guards	\$	0.8
	Big Five MOW	\$	1.5
	WABTEC License	\$	2.0
	IT Projects	\$	0.4
	Contract & FRA Training Require	\$	0.9
	Retail Ticket Consult	\$	0.4
	Insurance Deductible (Oxnard incident)	\$	1.0
	BNSF decrease	\$	(6.1)
	Position reduction	\$	(0.3)
	2% COLA/ 3% Merit (Operations only)	\$	0.8
	LOSSAN Increase	\$	0.8
		\$	0.4

SCRR FY18 Project Request Summary

Project Request Refinement Process

The FY18 Project Request initially began as an Unconstrained list of needed projects. This list was constrained by selecting critical projects that must be included in the FY18 Project Request by primarily focusing on Safety, Rail Operations and Regulatory Requirements. This document provides an overview of the Constrained list of projects and Member Agency shares. The Project Request List attachment has further details.

Unconstrained Project Request Totals

- 116 Rehab Projects at \$187,834,951
- 4 Capital Projects at \$13,378,400



Constrained Project Request Totals

- 40 FY18 Rehab Projects at \$38,190,753
- 5 FY17 Intended Rehab Projects at \$31,262,574
- 2 FY18 Capital Projects at \$3,277,900
- 4 FY17 Intended Capital Projects at \$2,300,000 (Phase 1 only)



Adjusted Project Request Totals

- (Low Alternate Funding Sources)
- 57 FY17+FY18 Rehab Projects at \$62,803,051
- 3 FY17+FY18 Capital Projects at \$3,277,900



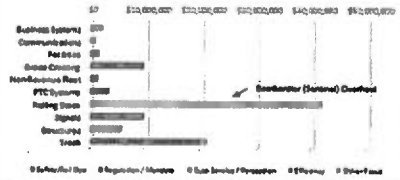
Other Funding Sources

- \$20,161,778 Federal Rehab Project
- \$20,307M Prop 1A (1:1 matching funds required)
- State Prop 1A funds are to be expended according to conditions of the project does not proceed in the near term.
- \$4,779M FY18SEA
- \$1,162,774M Insurance Settlement
- \$812,000 San Gabriel Tunnel Project
- \$612,000 of State TCRP funds
- 8 funds are not awarded LACMTA's funding requirement imposed by \$487,000 and SDCJA's funding requirement imposed by \$244,000

FY2018 Rehab Projects				
Asset Type	# of Critical Projects	Intended FY17	Estimated FY18 Funding	Adjusted Project FY18 Funds Requested
Business Systems	1	-	\$1,818,900	\$1,818,900
Communications	9	-	\$675,000	\$675,000
Facilities	3	-	\$1,349,320	\$1,349,320
Grade Crossing (FY17)	4	\$3,691,700	-	\$3,691,700
Grade Crossing (new)	7	-	\$3,788,440	\$3,788,440
Non-Revenue Fleet	3	-	\$1,183,100	\$1,183,100
Rolling Stock (FY17)	1	\$40,500,000	-	\$14,356,234 (\$26,143,776)
Rolling Stock (new)	1	-	\$1,100,000	\$1,100,000
Signals	35	-	\$9,459,830	\$9,459,830
Structures	4	-	\$5,314,078	\$5,314,078
Track (FY17)	1	\$5,308,194	-	\$4,386,374 (\$812,000)
Track (new)	7	-	\$19,527,990	\$19,527,990
Totals	58 (49 new)	\$51,942,074	\$18,196,733	\$67,000,000
Total FY18 Rehab (FY17+FY18)				
		\$69,559,427	(\$20,955,776)	\$48,603,651
FY2018 Capital Projects				
Asset Type	# of Critical Projects	Intended from FY17	Estimated FY18 Funding	Adjusted Project FY18 Funds Requested
Business Systems	1	-	\$207,900	\$207,900
Facilities	1	-	\$3,070,000	\$3,070,000
PTC Systems	1	-	\$2,000,000	\$2,000,000
Totals	3 (2 new)	\$2,000,000	\$3,277,900	\$5,277,900
Total FY18 Capital (FY17+FY18)				
		\$2,000,000	\$3,277,900	\$5,277,900
Grand Total				
		\$71,559,427	(\$17,677,876)	\$53,881,551

FY18 Project Rehab & Capital Funding by Primary Area of Focus

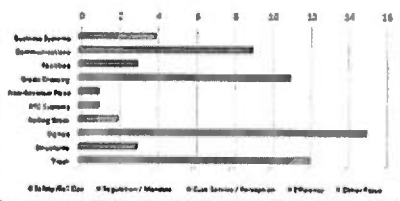
(Unadjusted FY18 plus FY17 Intended)



Other Includes: Reduce Expenses or Mitigation of Major Future Cost Increases, Improved Working Conditions, etc.

FY18 Project Rehab & Capital Projects by Primary Area of Focus

(Unadjusted FY18 plus FY17 Intended)



Other Includes: Reduce Expenses or Mitigation of Major Future Cost Increases, Improved Working Conditions, etc.

FY18 Rehab Project Allocation by Funding Source (Includes Other Funding Sources)

Asset / Funding Source	Los Angeles County Transportation Authority (LACTA)	Orange County Transportation Authority (OCTA)	Riverside County Transportation Commission (RCTC)	San Bernardino Associated Governments (SABAG)	Ventura County Transportation Commission (VCTC)	Other Funding Sources	Totals
Business Systems	\$18,979,798	\$19,134,212	\$703,898	\$261,822	\$130,904	\$2,813,900	\$2,813,900
Communications	\$182,540	\$9,611,940	\$41,120	\$64,400	\$9,700	\$879,000	\$879,000
Facilities	\$1,139,637	\$79,065	\$44,325	\$87,803	\$28,751	\$1,349,320	\$1,349,320
Grade Crossing	\$6,591,837	\$698,856	\$59,592	\$1,585,847	\$920,470	\$9,459,830	\$9,459,830
Non-Revenue Fleet	\$552,435	\$2,517,994	\$128,504	\$167,486	\$43,743	\$1,183,100	\$1,183,100
Rolling Stock	\$2,541,706	\$5,600,932	\$1,713,641	\$2,328,896	\$1,112,844	\$26,143,776	\$41,600,000
Signals	\$6,449,135	\$1,015,457	\$543,371	\$848,290	\$282,777	\$9,459,830	\$9,459,830
Structures	\$4,989,035	\$1,329,040	\$302,196	\$2,348,219	\$1,899,763	\$812,000	\$18,716,544
Track	\$12,977,149	\$3,408,432	\$1,092,593	\$1,934,275	\$1,987,063	\$26,148,778	\$55,404,090
Total All-Areas	\$12,977,149	\$3,408,432	\$1,092,593	\$1,934,275	\$1,987,063	\$26,148,778	\$55,404,090
Total Un-Allocated	\$18,979,798	\$1,935,540	\$50,000	\$3,340,394	\$1,214,810	\$812,000	\$26,074,737
Proposed Future Requirements	\$8,408,432	(\$16,859,026)		\$448,984			\$0
Grand Total	\$45,124,625	\$1,289,946	\$5,042,555	\$7,324,659	\$3,201,873	\$26,960,776	\$89,358,917

FY18 Capital Project Allocation by Funding Source

Asset / Funding Source	Los Angeles County Transportation Authority (LACTA)	Orange County Transportation Authority (OCTA)	Riverside County Transportation Commission (RCTC)	San Bernardino Associated Governments (SABAG)	Ventura County Transportation Commission (VCTC)	Totals
Business Systems	\$18,979,798	\$19,134,212	\$703,898	\$261,822	\$130,904	\$2,813,900
Facilities	\$182,540	\$9,611,940	\$41,120	\$64,400	\$9,700	\$879,000
PTC Systems	\$1,139,637	\$79,065	\$44,325	\$87,803	\$28,751	\$1,349,320
Track	\$2,541,706	\$5,600,932	\$1,713,641	\$2,328,896	\$1,112,844	\$26,143,776
Total All-Areas	\$12,977,149	\$3,408,432	\$1,092,593	\$1,934,275	\$1,987,063	\$26,148,778
Grand Total	\$18,979,798	\$1,935,540	\$50,000	\$3,340,394	\$1,214,810	\$812,000

METROLINK

FY18 Project Request Dashboard as of April 7, 2017

PROJECT PROPOSALS FOR FY2018 REHABILITATION BUDGET - TIER A												Attachment G
PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	OCTA	RCTC	SBCTA	VCTC ⁽¹⁾	OTHER ⁽¹⁾
1231	Olive	Marginal	High	Communications	Wayside Communication System Replacement Parts - Olive	\$75,000		\$75,000				
	Olive Total					\$75,000	\$0	\$75,000	\$0	\$0	\$0	\$0
1229	Orange	Marginal	High	Communications	Wayside Communication System Replacement Parts - Orange	\$75,000		\$75,000				
1115	Orange	Worn	High	Structures	Orange Sub Struct	\$1,225,000		\$1,225,000				
334	Orange	Worn	High	Grade Crossing	Grade Crossing Rehab - Rehab 2 Locations per Year - Orange Sub	\$560,560		\$560,560				
	Orange Total					\$1,860,560	\$0	\$1,860,560	\$0	\$0	\$0	\$0
1164	San Gabriel 60 / 40	Worn	High	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year - SG Sub	\$548,600	\$329,160			\$219,440		
1217	San Gabriel 60 / 40	Worn	High	Track	San Gabriel Track Rehabilitation	\$2,110,250	\$1,266,150			\$844,100		
1287	San Gabriel 60 / 40	Worn	High	Grade Crossing	Rehabilitation of grade crossings on the San Gabriel Subdivision in Los Angeles County	\$1,965,220	\$1,179,132			\$786,088		
1235	San Gabriel 60 / 40	Marginal	High	Communications	Wayside Communication System Replacement Parts - San Gabriel - JA County	\$100,000	\$60,000			\$40,000		
1233	San Gabriel 60 / 40	Marginal	High	Communications	Wayside Communication System Replacement Parts - San Gabriel - SB County	\$75,000	\$45,000			\$30,000		
308	San Gabriel 60 / 40	Worn	High	Grade Crossing	Grade Crossing Rehab - SG Sub	\$509,600	\$305,760			\$203,840		
178	San Gabriel 60 / 40	Worn	High	Track	Replacement of the turnouts on the San Gabriel Subdivision in San Bernardino County (see note 1)	\$2,341,900	\$878,940			\$585,960		\$844,000
317	San Gabriel 60 / 40	Worn	High	Signals	Rehab Worn or Defective Cables - SG Sub	\$511,940	\$307,164			\$204,776		
162	San Gabriel 60 / 40	Worn	High	Track	Replacement of the turnouts on the San Gabriel Subdivision in Los Angeles County	\$1,000,324	\$600,194			\$400,130		
	San Gabriel 60 / 40 Total					\$9,162,834	\$4,971,500	\$0	\$0	\$3,314,334	\$0	\$844,000
1228	San Jacinto (PVL)	Marginal	High	Communications	Wayside Communication System Replacement Parts - PVL	\$50,000			\$50,000			
	San Jacinto (PVL) Total					\$50,000	\$0	\$0	\$50,000	\$0	\$0	\$0
319	Valley	Worn	High	Signals	Signal System Rehab - Rehab Logic Controllers and Supporting Equipment - Valley Sub	\$1,131,460	\$1,131,460					
1216	Valley	Worn	High	Track	Valley Track Rehabilitation	\$4,065,250	\$4,065,250					
1162	Valley	Worn	High	Signals	Signal System Rehab - Replace ELIA Logic Controller at CP Harold	\$335,940	\$335,940					
1276	Valley	Worn	High	Structures	Valley Sub Structures (bridge 25.71 & 8 culverts)	\$3,638,713	\$3,638,713					
1288	Valley	Worn	High	Grade Crossing	Rehabilitation of grade crossings on the Valley Subdivision in Los Angeles County	\$1,048,700	\$1,048,700					
352	Valley	Worn	High	Signals	Rehab Worn or Defective Cables - Valley Sub	\$511,940	\$511,940					
1055	Valley	Marginal	High	Facilities	Replace Expand Lancaster Crew Base	\$950,000	\$950,000					
1240	Valley	Marginal	High	Communications	Wayside Communication System Replacement Parts - Valley	\$100,000	\$100,000					
1161	Valley	Worn	High	Signals	Replace Temporary AC Power Feed with Permanent Solar System - Valley Sub	\$307,560	\$307,560					
1163	Valley	Worn	High	Signals	Signal System Rehab - Replace Track Turnout and Power Switch at CP Harold	\$505,560	\$505,560					
318	Valley	Worn	High	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year - Valley Sub	\$557,480	\$557,480					

PROJECT PROPOSALS FOR FY2018 REHABILITATION BUDGET - TIER A												Attachment G
PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	OCTA	RCTC	SBCTA	VCTC ⁽²⁾	OTHER ⁽²⁾
	Valley Total					\$13,152,603	\$13,152,603	\$0	\$0	\$0	\$0	\$0
1099	Valley, Ventura - LA County	Worn	High	Track	Station Pedestrian Crossing Rehab	\$250,800	\$250,800					
	Valley, Ventura - LA County Total					\$250,800	\$250,800	\$0	\$0	\$0	\$0	\$0
305	Ventura - LA County	Worn	High	Grade Crossing	Grade Crossing Rehab 2 Locations per Year	\$531,800	\$531,800					
1218	Ventura - LA County	Worn	High	Track	Ventura (LA) Track Rehabilitation	\$1,535,250	\$1,535,250					
1278	Ventura - LA County	Worn	Low	Structures	Ventura Sub (LA CO) Struct	\$450,360	\$450,360					
1160	Ventura - LA County	Worn	High	Signals	Rehab Signal and Grade Crossing Cables - Ven Sub	\$513,480	\$513,480					
1283	Ventura - LA County	Worn	High	Track	Ventura (LA) Tie Rehabilitation	\$3,010,440	\$3,010,440					
1244	Ventura - LA County	Marginal	High	Communications	Wayside Communication System Replacement Parts - Ventura - LA County	\$50,000	\$50,000					
164	Ventura - LA County	Worn	High	Grade Crossing	Rehabilitation of grade crossings on the Ventura Subdivision in Los Angeles County	\$2,296,800	\$2,296,800					
	Ventura - LA County Total					\$8,388,130	\$8,388,130	\$0	\$0	\$0	\$0	\$0
1159	Ventura - VC County	Worn	High	Signals	Rehab Signal and Grade Crossing Cables - Ven Sub	\$513,480					\$513,480	
212	Ventura - VC County	Marginal	High	Track	Replace Ties Arroyo Simi Bridges - Ventura Sub VN Cty - FY17	\$1,025,750					\$1,025,750	
1282	Ventura - VC County	Worn	High	Track	Ventura (VC) Tie Rehabilitation	\$674,000					\$674,000	
1246	Ventura - VC County	Marginal	High	Communications	Wayside Communication System Replacement Parts - Ventura - Ventura County	\$50,000					\$50,000	
307	Ventura - VC County	Worn	High	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year - Ven Sub	\$548,600					\$548,600	
165	Ventura - VC County	Worn	High	Grade Crossing	Rehabilitation of grade crossings on the Ventura Subdivision in Ventura County	\$342,980					\$342,980	
	Ventura - VC County Total					\$3,154,810	\$0	\$0	\$0	\$0	\$3,154,810	\$0
1274	All	Worn	High	Business Systems	Perform State of Good Repair Engineering, Track Measurements, and Prioritization to support and populate the annual SOGR/Rehab/TAM Program	\$750,000	\$356,250	\$148,500	\$83,250	\$108,000	\$54,000	
247	All	Worn	High	Track	Rail Grinding Systemwide	\$840,400	\$399,190	\$166,399	\$93,284	\$121,018	\$60,509	
1223	All	Worn	High	Signals	SCRRA Production Backoffice Systems Upgrades and Testing Support	\$597,500	\$283,813	\$118,305	\$66,323	\$86,040	\$43,020	
485	All	Worn	High	Non-Revenue Fleet	MOW VEHICLE REPLACEMENT	\$1,163,100	\$552,473	\$230,294	\$129,104	\$167,486	\$83,743	
1058	All	Worn	High	Facilities	Replace Car shop Jacks at CMF	\$279,620	\$132,820	\$55,365	\$31,038	\$40,265	\$20,133	
1039	All	Worn	Low	Facilities	REPLACE PUBLIC ADDRESS SYSTEM	\$119,700	\$56,858	\$23,701	\$13,287	\$17,237	\$8,618	
1222	All	Worn	High	Signals	Backoffice Hardware & Software Replacement (DOC & MOC)	\$1,130,000	\$536,750	\$223,740	\$125,430	\$162,720	\$81,360	
1247	All	Worn	High	Rolling Stock	PTC On-Board Software updates, hardware repairs PTC on-board equipment Systems on 57 cab cars and 52 locomotives.	\$1,100,000	\$522,500	\$217,800	\$122,100	\$158,400	\$79,200	
1221	All	Worn	High	Signals	SCRRA Positive Train Control Lab Systems Support and Testing	\$947,500	\$450,063	\$187,605	\$105,173	\$136,440	\$68,220	
254 ⁽¹⁾	All	Marginal	High	Rolling Stock	Bombardier (Sentinel) passenger rail cars Midlife Overhaul on 78 cars (see note 3)	\$40,500,000	\$6,819,206	\$2,842,532	\$1,593,541	\$2,067,296	\$1,033,648	\$26,143,776

PROJECT PROPOSALS FOR FY2018 REHABILITATION BUDGET - TIER A												Attachment G
PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	OCTA	RCTC	SBCTA	VCTC ⁽²⁾	OTHER ⁽³⁾
1041	All	Marginal	High	Business Systems	Trapeze Maintenance Management System Software Upgrade	\$992,775	\$471,568	\$196,569	\$110,198	\$142,960	\$71,480	
1091	All	Worn	High	Business Systems	Condition Based Maintenance Tools, PC and Analysis Software	\$76,125	\$36,159	\$15,073	\$8,450	\$10,962	\$5,481	
	All Total					\$48,498,720	\$10,617,648	\$4,425,883	\$2,481,177	\$3,218,824	\$1,609,412	\$26,143,776
1155	River	Worn	High	Signals	Replace Worn Electric Switch Lock at 140.80 West Bank	\$100,600	\$47,785	\$19,919	\$11,167	\$14,486	\$7,243	
312	River	Worn	High	Signals	Phase 1 - Signal System Rehab - CP Terminal Rehab Turnouts 3X 5, 5X 7, 7X and Power Switch Machines	\$1,000,000	\$475,000	\$198,000	\$111,000	\$144,000	\$72,000	
1167	River	Worn	High	Signals	Signal System Rehab - Replace EL1A Logic Controller at CP Capital	\$335,940	\$159,572	\$66,516	\$37,289	\$48,375	\$24,188	
1285	River	Worn	High	Track	LA Union Station Track Rehabilitation	\$1,882,000	\$893,950	\$372,636	\$208,902	\$271,008	\$135,504	
311	River	Worn	High	Signals	Signal System Rehab - River Sub	\$1,017,030	\$483,089	\$201,372	\$112,890	\$146,452	\$73,226	
1237	River	Marginal	High	Communications	Wayside Communication System Replacement Parts - River	\$100,000	\$47,500	\$19,800	\$11,100	\$14,400	\$7,200	
310	River	Worn	High	Grade Crossing	Grade Crossing Rehab - 2 grade crossings - River Sub	\$531,800	\$252,605	\$105,296	\$59,030	\$76,579	\$38,280	
	River Total					\$4,967,370	\$2,359,501	\$983,539	\$551,378	\$715,301	\$357,651	\$0
					TOTAL ALL-SHARE	\$53,464,090	\$12,977,149	\$5,409,422	\$3,032,555	\$3,934,125	\$1,967,063	\$26,143,776
					TOTAL LINE-SPECIFIC	\$36,094,737	\$26,783,033	\$1,935,560	\$50,000	\$3,314,334	\$3,154,810	\$844,000
					TIER A TOTAL	\$89,558,827	\$39,740,183	\$7,344,982	\$3,082,555	\$7,248,459	\$5,121,873	\$26,987,776
					Proposed Rotem Repayments ⁽⁴⁾	\$0	\$5,409,422	(\$6,059,016)	\$0	\$649,594	\$0	\$0
					NEW TIER A TOTAL	\$89,558,827	\$45,149,605	\$1,285,966	\$3,082,555	\$7,898,053	\$5,121,873	\$26,987,776

BUDGET & FUNDING NOTES:

- (1) San Gabriel sub turnout replacement project # 178 contains \$812K of State TCRP funds that SCRRRA plans to apply for. If the funds are not awarded, LA Metro's funding requirement increases by \$487,200 and SBCTA's funding requirement increases by \$324,800.
- (2) VCTC is likely to have approximately \$2.5M available for FY 2018 Rehabilitation projects. If that is the case, \$2.6M will have to be cut from VCTC's share of the budget.
- (3) Other funds for Project # 254 (Bombardier Sentinel Car Overhaul) consist of \$20.2M of Prop 1A, \$4.77M of PTMISEA funds and \$1.163M of Insurance settlement funds.
- (4) Systemwide projects are needed for the Rotem repayments to take place. OCTA's share of Systemwide projects proposed to be paid by LA Metro under the Rotem Settlement MOU.
- (5) \$200,000 in funds have been identified on existing FTA grant 5309 for OCTA

PROJECT PROPOSALS FOR FY2018 CAPITAL BUDGET - TIER A

Attachment H

RANK	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	DCFA	BCTC	RAMBAG	VCCTC	OTHER
1	1119	All	n/a	n/a	Business Systems	Laptop and Server Upgrade	\$207,900	\$98,753	\$41,164	\$23,077	\$29,938	\$14,969	
2	219A	All	n/a	n/a	Track	Central Maintenance Facility West Entrance Phase A - focused on Design, Engineering, & putting together contract documents of the CMF West Entrance Project with estimated cost is \$2M and would last 4 months (1 year)	\$2,000,000	\$950,000	\$396,000	\$222,000	\$288,000	\$144,000	
3	1238	All	n/a	n/a	PTC Systems	Interoperable Positive Train Control Rung II Non-Vital to Vital System Upgrade	\$3,070,000	\$1,458,250	\$607,860	\$340,770	\$442,080	\$221,040	
TOTAL							\$5,277,900	\$2,507,003	\$1,045,024	\$585,847	\$760,018	\$380,009	\$0

BUDGET & FUNDING NOTES:

(1) Project 219A - Central Maintenance Facility West Entrance - is the first of two phases. Phase A focuses on design and engineering, while Phase B focuses on Construction. Phase B is anticipated for FY19 at approximately \$9.5M

FY19 Forecast Operating Budget
by Cost Component By Member Agency

(\$000s)	Total FY18-19	Metro	OCTA	RCTC	SBCTA	VCTC
Operating Revenue						
Farebox Revenue	83,897	40,769	22,453	7,759	10,512	2,404
Metro Fare Reduction Subsidy	1,262	1,262	-	-	-	-
Subtotal-Pro Forma FareBox	85,159	42,031	22,453	7,759	10,512	2,404
Dispatching	2,128	1,130	685	6	57	250
Other Revenues	12	6	3	1	1	0
MOW Revenues	13,431	8,120	2,537	670	1,560	544
Subtotal Operating Revenue	100,730	51,287	25,678	8,436	12,130	3,199
Operating Expenses						
<u>Operations & Services</u>						
Train Operations	46,097	24,559	10,331	4,679	4,842	1,685
Equipment Maintenance	37,530	18,449	8,637	4,476	4,334	1,633
Fuel	18,751	9,579	4,794	1,878	1,912	588
Non-Scheduled Rolling Stock Repairs	100	52	24	10	11	3
Operating Facilities Maintenance	1,690	879	401	166	190	55
Other Operating Train Services	482	227	83	72	49	50
Rolling Stock Lease	-	-	-	-	-	-
Security - Sheriff	6,040	3,150	1,206	943	614	126
Security - Guards	2,889	1,362	498	432	295	302
Supplemental Additional Security	690	341	182	63	85	19
Public Safety Program	275	130	47	41	28	29
Passenger Relations	1,740	871	451	151	213	53
TVM Maintenance/Revenue Collection	6,019	2,508	1,322	1,003	821	364
Marketing	1,085	556	263	96	134	35
Media & External Communications	408	192	70	61	42	43
Utilities/Leases	3,309	1,560	570	495	338	345
Transfers to Other Operators	6,789	3,641	1,624	536	753	235
Amtrak Transfers	2,219	707	1,402	-	-	110
Station Maintenance	1,720	1,046	248	115	230	81
Rail Agreements	5,466	1,926	1,579	1,257	358	347
Subtotal Operations & Services	143,300	71,736	33,735	16,475	15,251	6,102
<u>Maintenance-of-Way</u>						
MoW - Line Segments	42,177	22,291	8,651	3,245	5,527	2,463
MoW - Extraordinary Maintenance	1,044	612	134	101	113	84
Subtotal Maintenance-of-Way	43,221	22,903	8,785	3,346	5,640	2,546
<u>Administration & Services</u>						
Ops Salaries & Fringe Benefits	14,541	6,855	2,517	2,169	1,487	1,513
Ops Non-Labor Expenses	7,658	3,895	1,701	844	839	380
Indirect Administrative Expenses	15,807	7,452	2,725	2,365	1,616	1,650
Ops Professional Services	2,689	1,268	464	402	275	281
Subtotal Admin & Services	40,695	19,469	7,407	5,779	4,216	3,824
<u>Contingency (Non-Train Ops)</u>	252	119	43	38	26	26
Total Operating Expenses	227,468	114,227	49,971	25,638	25,133	12,499
Insurance Expense/(Revenue)						
Liability/Property/Auto	13,099	6,809	3,110	1,284	1,471	426
Claims / SI	1,050	546	249	103	118	34
Claims Administration	1,191	619	283	117	134	39
PLPD Revenue	-	-	-	-	-	-
Net Insurance Expense	15,341	7,974	3,642	1,503	1,723	499
Total Expenses	242,808	122,201	53,613	27,142	26,856	12,997
Total Loss	(142,079)	(70,914)	(27,935)	(18,706)	(14,726)	(9,799)
Member Subsidies						
Operations	126,738	62,940	24,293	17,202	13,003	9,300
Insurance	15,341	7,974	3,642	1,503	1,723	499
Member Subsidies	142,079	70,914	27,935	18,706	14,726	9,799
Surplus / (Deficit)	-	-	-	-	-	-

FY20 Forecast Operating Budget
by Cost Component By Member Agency

(\$000s)	Total FY19-20	Metro	OCTA	RCTC	SBCTA	VCTC
Operating Revenue						
Farebox Revenue	83,897	40,769	22,453	7,759	10,512	2,404
Metro Fare Reduction Subsidy	1,262	1,262	-	-	-	-
Subtotal-Pro Forma FareBox	85,159	42,031	22,453	7,759	10,512	2,404
Dispatching	2,128	1,130	685	6	57	250
Other Revenues	12	6	3	1	1	0
MOW Revenues	13,431	8,120	2,537	670	1,560	544
Subtotal Operating Revenue	100,730	51,287	25,678	8,436	12,130	3,199
Operating Expenses						
<u>Operations & Services</u>						
Train Operations	47,600	25,382	10,644	4,817	5,006	1,750
Equipment Maintenance	38,847	19,120	8,942	4,619	4,474	1,692
Fuel	19,361	9,894	4,946	1,939	1,975	608
Non-Scheduled Rolling Stock Repairs	100	52	24	10	11	3
Operating Facilities Maintenance	1,530	796	364	150	171	50
Other Operating Train Services	495	233	85	74	51	52
Rolling Stock Lease	-	-	-	-	-	-
Security - Sheriff	6,241	3,257	1,255	962	635	132
Security - Guards	2,942	1,387	507	440	301	307
Supplemental Additional Security	690	341	182	63	85	19
Public Safety Program	275	130	47	41	28	29
Passenger Relations	1,746	826	492	167	203	57
TVM Maintenance/Revenue Collection	6,264	2,610	1,376	1,044	854	379
Marketing	1,085	523	291	107	126	39
Media & External Communications	408	192	70	61	42	43
Utilities/Leases	3,329	1,569	574	498	340	348
Transfers to Other Operators	6,993	3,751	1,673	552	776	242
Amtrak Transfers	2,262	721	1,429	-	-	112
Station Maintenance	1,800	1,096	259	119	241	85
Rail Agreements	5,569	1,950	1,626	1,283	361	349
Subtotal Operations & Services	147,536	73,829	34,786	16,945	15,681	6,295
<u>Maintenance-of-Way</u>						
MoW - Line Segments	44,071	23,309	9,017	3,408	5,759	2,577
MoW - Extraordinary Maintenance	1,090	639	140	106	117	87
Subtotal Maintenance-of-Way	45,160	23,948	9,157	3,514	5,877	2,664
<u>Administration & Services</u>						
Ops Salaries & Fringe Benefits	15,277	7,202	2,645	2,279	1,563	1,589
Ops Non-Labor Expenses	7,888	4,014	1,753	867	864	390
Indirect Administrative Expenses	16,273	7,671	2,805	2,434	1,663	1,699
Ops Professional Services	2,694	1,270	464	403	275	281
Subtotal Admin & Services	42,132	20,156	7,668	5,983	4,365	3,959
<u>Contingency (Non-Train Ops)</u>	252	119	43	38	26	26
Total Operating Expenses	235,080	118,052	51,655	26,480	25,949	12,944
Insurance Expense/(Revenue)						
Liability/Property/Auto	13,885	7,224	3,299	1,358	1,552	451
Claims / SI	1,113	579	264	109	124	36
Claims Administration	1,197	623	285	117	134	39
PLPD Revenue	-	-	-	-	-	-
Net Insurance Expense	16,196	8,427	3,848	1,584	1,811	526
Total Expenses	251,276	126,479	55,503	28,064	27,759	13,470
Total Loss	(150,546)	(75,192)	(29,825)	(19,628)	(15,629)	(10,271)
Member Subsidies						
Operations	134,350	66,765	25,977	18,044	13,819	9,745
Insurance	16,196	8,427	3,848	1,584	1,811	526
Member Subsidies	150,546	75,192	29,825	19,628	15,629	10,271
Surplus / (Deficit)	-	-	-	-	-	-

PROJECT PROPOSALS FOR FY2019 REHABILITATION BUDGET

Attachment K

ORIGINALLY INTENDED	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	OCTA	RCTC	SBCTA	VCTC	OTHER (1)
FY18	1158	River	Worn	High	Signals	Rehab Signal System - Replace worn signals: 2W, 4WA, 4WB, 6W - CP Dayton	\$191,800	\$72,105	\$30,056	\$16,850	\$21,859	\$10,930	
FY18	1108	All	Worn	High	Stations	Station Platform Detectable Warning Panel and Pavement Marking Rehab	\$242,000	\$114,950	\$47,916	\$26,862	\$34,848	\$17,424	
FY18	1166	River	Worn	High	Signals	Rehab Worn and/or Defective Battery Cells - River Sub	\$64,240	\$30,514	\$12,720	\$7,181	\$9,251	\$4,625	
FY18	1151	San Gabriel 60 / 40	Worn	High	Signals	Signal System Rehab - Replace ECA Unit with ECU at Int Signal 81/82 - SO Sub	\$333,940	\$201,564			\$134,376		
FY18	822	Ventura - LA County	Worn	High	Signals	Signal System Rehab - Rehab Logic Controllers at Signal Locations - Ven Sub	\$329,560	\$329,560					
FY18	1051	All	Good	Low	Rolling Stock	Return BI-Level Rail-car Progressive Overhaul Program Phase 1	\$11,933,250	\$5,668,294	\$2,362,784	\$1,324,591	\$1,718,388	\$259,194	
FY18	1057	All	Worn	Low	Facilities	Replace fencing and gates at MOC	\$149,050	\$70,799	\$29,512	\$16,545	\$21,463	\$10,732	
FY18	1054	All	Marginal	Low	Facilities	Renovate restrooms at CMF and MOC	\$756,800	\$359,480	\$149,846	\$84,005	\$108,979	\$54,490	
FY18	1203	Orange	Worn	High	Structures	Orange Sub Struct - San Juan Creek Bridge	\$38,161,522		\$38,161,522				
FY18	159	San Gabriel 60 / 40	Marginal	High	Track	San Gabriel Subdivision Rail Rehab Program	\$6,168,800	\$3,761,280			\$2,507,520		
FY18	920	Pasadena	Worn	High	Grade Crossing	Rehab Worn Signal and Grade Crossing Cables - Pasadena Sub	\$357,480	\$357,480					
FY18	1372	River	Worn	High	Track	Replace turnouts on the River Subdivision	\$1,830,840	\$869,649	\$362,506	\$203,223	\$368,641	\$191,820	
FY18	1289	Ventura - LA County	Marginal	High	Track	Replacement of turnouts on the Ventura Subdivision in Los Angeles County	\$325,000		\$325,000				
FY18	1154	River	Worn	High	Signals	Replace AC Meter Service @ H. Main Street - East Bank	\$130,600	\$2,741	\$1,143	\$641	\$831	\$416	\$124,829
FY18	1117	River	Worn	Low	Structures	River Sub Struct	\$299,600	\$142,310	\$39,321	\$33,256	\$43,142	\$21,571	
FY18	1280	San Gabriel 60 / 40	Worn	High	Track	San Gabriel Tie Rehabilitation	\$2,815,500	\$1,689,300			\$1,126,200		
FY18	1281	Valley	Worn	High	Track	Valley Tie Rehabilitation	\$11,110,940	\$11,110,940					
FY18	1165	River	Worn	High	Signals	Rehab Signal and Grade Crossing Cables - River Sub	\$513,480	\$243,903	\$101,669	\$56,996	\$73,941	\$36,971	
FY18	181	River Sub - West Bank	Marginal	High	Track	Replacement of turnouts on the River Subdivision West Bank line in Los Angeles County	\$540,980	\$256,966	\$107,114	\$60,049	\$77,901	\$38,951	
FY18	336	Olive	Worn	High	Signals	Rehab Worn or Defective Cables - Olive Sub	\$513,480		\$513,480				
FY18	347	River	Worn	High	Signals	Signal System Rehab - Replace ECA Unit at CP Mission	\$346,940	\$164,797	\$68,694	\$38,510	\$49,959	\$14,980	
FY18	1241	Valley	Marginal	High	Communications	Wayside Communication System Design, slot planning, interference mitigation - Valley	\$75,000	\$75,000					
FY18	1239	River	Marginal	High	Communications	Wayside Communication System Design, slot planning, interference mitigation - River	\$75,000	\$35,625	\$14,850	\$8,325	\$10,800	\$5,400	
FY18	1243	Ventura - VC County	Marginal	High	Communications	Wayside Communication System Design, slot planning, interference mitigation - Ventura - Ventura County	\$87,500					\$87,500	
FY18	1245	Ventura - LA County	Marginal	High	Communications	Wayside Communication System Design, slot planning, interference mitigation - Ventura - LA County	\$87,500	\$37,500					
FY18	1255	San Gabriel 60 / 40	Marginal	High	Communications	Wayside Communication System Design, slot planning, interference mitigation - San Gabriel - SO County	\$87,500	\$22,500			\$15,000		
FY18	1227	San Jacinto (PVL)	Marginal	High	Communications	Wayside Communication System Design, slot planning, interference mitigation - PVL	\$75,000		\$75,000				
FY18	1254	San Gabriel 60 / 40	Marginal	High	Communications	Wayside Communication System Design, slot planning, interference mitigation - San Gabriel - LA County	\$87,500	\$22,500			\$15,000		
FY18	1230	Orange	Marginal	High	Communications	Wayside Communication System Design, slot planning, interference mitigation - Orange	\$125,000		\$125,000				
FY18	315	River	Worn	High	Signals	CP Dayton Signal Sys Rehab - Replace Relay Logic with Electrologics Units	\$1,534,320	\$728,802	\$303,795	\$170,310	\$220,942	\$110,471	
FY18	191	All	Worn	High	Stations	Station Signage Rehab	\$310,500	\$147,488	\$61,479	\$34,466	\$44,712	\$22,356	
FY18	518	All	Worn	High	Signals	Rehab AC Units	\$286,940	\$112,547	\$46,914	\$26,300	\$34,119	\$17,060	
FY18	1113	Ventura - VC County	Worn	High	Structures	Ventura Sub (Ven CO) Struct - Arroyo Simi Bridge	\$13,909,650					\$13,909,650	
FY18	306	San Gabriel 60 / 40	Worn	High	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year - SO Sub	\$548,600	\$329,160			\$219,440		
FY18	1153	Montalvo	Worn	High	Signals	Rehab Worn or Defective Cables - Montalvo Sub	\$566,940					\$566,940	

PROJECT PROPOSALS FOR FY2019 REHABILITATION BUDGET

Attachment K

ORIGINALLY INTENDED	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	CTA	WCTC	SBCTA	VCTC	OTHER (1)
FY18	1219	Ventura - VC County	Worn	High	Track	Ventura (VQ) Track Rehabilitation	\$781,000						\$781,000
FY18	1152	San Gabriel 60 / 40	Worn	High	Signals	Signal System Rehab - Replace EC4 Unit with EC5 at Int Signal 111/112 - SG Sub	\$335,940	\$201,564			\$134,376		
FY18	266	Orange	Worn	High	Signals	Rehab Worn or Defective Cables - Orange Sub	\$566,940		\$566,940				\$300,000
FY18	1207	Orange	Worn	High	Track	Orange Subdivision Rail Rehab Program	\$942,000		\$942,000				
FY18	340	San Gabriel 60 / 40	Worn	High	Signals	Signal System Rehab - Replace EC4 Unit with EC5 at Int Signal 41/42 - SG Sub	\$335,940	\$201,564			\$134,376		
FY18	1208	Orange	Marginal	High	Track	Orange Subdivision Tie Rehab	\$2,920,500		\$2,920,500				
FY18	1157	River	Worn	High	Signals	Area lighting and fencing around houses - River Sub	\$556,800	\$254,980	\$106,286	\$39,585	\$77,299	\$38,650	
FY18	250	Valley	Marginal	High	Track	Replacement of turnouts on the Valley Subdivision in Los Angeles County	\$400,000	\$400,000					
FY18	1305	San Gabriel 60 / 40	Worn	High	Grade Crossing	Rehabilitation of Beech Ave crossing on the San Gabriel Subdivision	\$462,000	\$277,200			\$184,800		
FY18	1215	Valley	Marginal	High	Track	Valley Sub Rail Rehabilitation	\$2,296,250	\$2,296,250					
FY18	277	San Gabriel 60 / 40	Worn	High	Signals	Rehab Worn or Defective Cables - SG Sub	\$566,940	\$340,164			\$226,776		
FY18	283	Orange	Worn	High	Signals	C&S Corrosion Mitigation	\$216,615		\$216,615				
FY18	196	River	Worn	Low	Track	Rehabilitation of the North lead to CMF	\$750,000	\$356,250	\$148,500	\$83,250	\$108,000	\$54,000	
FY18	154	Pasadena	Worn	Low	Grade Crossing	Phase 1 - Rehabilitation of grade crossings on the Pasadena Subdivision	\$500,000	\$500,000					
FY18	135	Rialto	Worn	High	Grade Crossing	Phase 1 - Rehabilitation of grade crossings on the Rialto Industrial Track	\$250,000				\$250,000		
FY18	1252	San Gabriel 60 / 40	Marginal	Low	Communications	Rehab Update CIS at Stations - San Gabriel (SB County)	\$150,000	\$90,000			\$60,000		
FY18	1248	Valley	Marginal	Low	Communications	Rehab Update CIS at Stations - Valley	\$150,000	\$150,000					
FY18	1250	Orange	Marginal	Low	Communications	Rehab Update CIS at Stations - Orange	\$150,000		\$150,000				
FY18	1251	San Gabriel 60 / 40	Marginal	Low	Communications	Rehab Update CIS at Stations - San Gabriel (LA County)	\$150,000	\$80,000			\$70,000		
FY18	1249	Ventura - VC County	Marginal	Low	Communications	Rehab Update CIS at Stations - Ventura - Ventura County	\$150,000					\$150,000	
FY18	1253	Ventura - LA County	Marginal	Low	Communications	Rehab Update CIS at Stations - Ventura - LA County	\$150,000	\$150,000					
FY19	239	All	Worn	High	Stations	Station Signage Rehab	\$310,500	\$147,488	\$61,479	\$34,466	\$44,712	\$22,356	
FY19	1120	All	Marginal	High	Rolling Stock	Bombardier (Sentinel) passenger rail cars Midlife Overhaul	\$40,500,000	\$19,287,500	\$8,019,000	\$4,495,500	\$5,832,000	\$2,916,000	
FY19	1109	All	Worn	High	Stations	Station Platform Detectable Warning Panel and Pavement Marking Rehab	\$297,000	\$141,075	\$58,806	\$32,967	\$42,768	\$21,584	
FY19	1060	Ventura - VC County	Worn	Low	Facilities	Replace Moorpark Trailer (Crew Base)	\$1,474,000						\$1,474,000
FY19	1062	All	Worn	High	Facilities	Replace yard and progressive track lighting at CMF	\$933,020	\$449,185	\$184,738	\$103,585	\$154,355	\$67,177	
FY19	1170	Orange	Worn	High	Signals	C&S Corrosion Mitigation	\$216,615		\$216,615				
FY19	1168	Montalvo	Worn	High	Signals	Rehab Worn or Defective Cables - Montalvo Sub	\$566,940						\$566,940
FY19	1061	All	Worn	Low	Rolling Stock	Locomotive and Cab Car Camera & DVR replacements	\$1,099,875	\$522,441	\$217,775	\$122,088	\$158,982	\$79,191	
FY19	197	River	Worn	Low	Facilities	Spot Track Facility Modifications	\$1,638,750	\$778,408	\$324,473	\$181,901	\$235,980	\$117,990	
FY19	1313	All	Worn	High	Facilities	Phase 2 - Replace Car shop Jacks at CMF	\$279,820	\$132,820	\$55,365	\$31,038	\$40,285	\$20,133	
FY19	1226	All	Worn	High	Laboratory Testing	SCRAA Positive Train Control Lab Systems Support and Testing	\$847,500	\$402,563	\$167,805	\$94,073	\$122,040	\$61,020	
FY19	1225	All	Worn	High	Signals	SCRAA Production Backoffice Systems Upgrades and Testing Support	\$547,000	\$259,825	\$108,906	\$60,717	\$78,784	\$39,384	
FY19	1056	All	Marginal	Low	Facilities	Employee Communications System Upgrade	\$228,375	\$108,478	\$45,218	\$25,350	\$32,894	\$16,445	
FY19	1224	All	Marginal	High	Signals	Backoffice Hardware & Software Replacement (DOC & MOC)	\$1,020,000	\$484,500	\$201,960	\$113,220	\$146,880	\$73,440	
FY19	1212	Valley	Worn	High	Track	Tunnel 25 Track Renovation	\$10,782,750	\$10,782,750					
FY19	235	Valley	Worn	High	Structures	Verdugo Wash (8.32) Bridge Deck Replacement	\$1,484,725	\$1,484,725					

PROJECT PROPOSALS FOR FY2019 REHABILITATION BUDGET

Attachment K

ORIGINALLY INTENDED	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metre	DCFA	ACFC	SDCTA	UFC	OTHER (L)
FY19	1215	Valley	Marginal	High	Track	Valley Sub Track Renewal Train	\$70,000,000	\$70,000,000					
FY19	1127	All	Worn	High	Signals	Remove Unnecessary IATS Instructions from RR Right of Way	\$667,800	\$317,305	\$152,234	\$74,116	\$96,163	\$48,082	
FY19	325	Pasadena	Worn	Low	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year - Pasadena Sub	\$357,480	\$357,480					
FY19	1199	Pasadena	Worn	Low	Track	Pasadena Tie Rehabilitation	\$1,000,450	\$1,000,450					
FY19	1123	All	Worn	High	Signals	Rehab C&S Maintenance Vehicles (2 Sig vehicles)	\$150,000	\$71,250	\$29,700	\$16,650	\$21,600	\$10,800	
FY19	1209	San Jacinto (PVL)	Worn	Low	Track	Perris Valley Subdivision Rail Rehab Program	\$9,256,250			\$3,256,250			
FY19	1198	Pasadena	Worn	High	Track	Pasadena Subdivision Rail Rehab Program	\$738,240	\$738,240					
FY19	1308	Rialto	Worn	High	Grade Crossing	Phase 2 - Rehabilitation of grade crossings on the Rialto Industrial Track	\$250,000				\$250,000		
FY19	1510	River	Worn	High	Signals	Phase 2 - Signal System Rehab - CP Terminal Rehab Turnouts 2X, 3, 5X, 7, 7X and Power Switch Machines	\$1,000,000	\$475,000	\$198,000	\$111,000	\$144,000	\$72,000	
FY19	1306	Pasadena	Worn	Low	Grade Crossing	Phase 2 - Rehabilitation of grade crossings on the Pasadena Subdivision	\$1,000,000	\$1,000,000					
TOTAL							\$248,992,567	\$142,686,105	\$57,552,627	\$11,078,800	\$15,968,740	\$22,601,468	\$324,829

PROJECT PROPOSALS FOR FY2020 REHABILITATION BUDGET

Attachment L

CARDINALITY INTENTIONS	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	CTA	MTA	SBCTA	VCTC	OTHER (1)
FY20	240	All	Worn	High	Stations	Station Signage Rehab	\$310,500	\$147,488	\$61,479	\$34,466	\$44,712	\$22,356	
FY20	1063	All	Worn	Low	Non-Revenue Fleet	Vehicle Replacement	\$0	\$0	\$0	\$0	\$0	\$0	
FY20	1110	All	Worn	High	Stations	Station Platform Detectable Warning Panel and Pavement Marking Rehab	\$152,000	\$187,200	\$69,696	\$39,072	\$50,688	\$25,344	
FY20	1064	SB Shortway	Worn	Low	Facilities	Purchase electric train car mover for EMF	\$800,240				\$889,240		
FY20	1185	San Gabriel - SB County	Worn	High	Signals	Rehab Worn or Defective Cables	\$566,940				\$566,940		
FY20	1176	Orange	Worn	High	Signals	Rehab Worn or Defective Cables	\$566,940		\$566,940				
FY20	1191	Ventura - LA County	Worn	High	Signals	Rehab Worn or Defective Cables	\$513,480	\$513,480					
FY20	1121	All	Marginal	High	Rolling Stock	Bombardier (Sentinel) passenger rail cars Midlife Overhaul	\$40,500,000	\$19,237,500	\$8,018,000	\$4,495,500	\$5,832,000	\$2,916,000	
FY20	1182	River	Worn	High	Signals	Rehab Worn or Defective Cables	\$513,480	\$243,903	\$101,669	\$56,996	\$73,941	\$36,971	
FY20	1173	Montaho	Worn	High	Signals	Rehab Worn or Defective Cables - Montaho Sub	\$566,940					\$566,940	
FY20	1179	Pasadena	Worn	High	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year	\$557,480	\$557,480					
FY20	1186	San Gabriel - SB County	Worn	High	Signals	Rehab Worn or Defective Cables	\$566,940				\$566,940		
FY20	1180	Rialto	Worn	High	Signals	Rehab Signal and Grade Crossing Cables	\$513,480				\$513,480		
FY20	1175	Orange	Worn	High	Signals	CBS Corrosion Mitigation	\$218,615		\$216,615				
FY20	1178	Pasadena	Worn	High	Grade Crossing	Rehab Worn Signal and Grade Crossing Cables	\$557,480	\$557,480					
FY20	1181	River	Worn	High	Signals	Signal System Rehab - Replace ECU Unit at CP Mission	\$346,940	\$184,797	\$68,894	\$38,510	\$49,959	\$24,980	
FY20	1192	Ventura - VC County	Worn	High	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year	\$548,600					\$548,600	
FY20	1171	All	Worn	High	Signals	Rehab CBS Maintenance Vehicles (2 Sig Vehicles)	\$150,000	\$71,250	\$29,700	\$16,650	\$21,600	\$10,800	
FY20	1187	San Gabriel - SB County	Worn	High	Grade Crossing	Grade Crossing Rehab	\$509,600				\$509,600		
FY20	1177	Orange	Worn	High	Grade Crossing	Grade Crossing Rehab - Rehab 2 Locations per Year	\$560,560		\$560,560				
FY20	1194	Ventura - VC County	Worn	High	Signals	Rehab Signal and Grade Crossing Cables	\$513,480					\$513,480	
FY20	1184	San Gabriel 60 / 40	Worn	High	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year - SG Sub	\$548,600	\$329,160			\$219,440		
FY20	1193	Ventura - VC County	Worn	High	Signals	Rehab Signal and Grade Crossing Cables - Ven Sub	\$513,480					\$513,480	
FY20	1169	Olive	Worn	High	Signals	Rehab Worn or Defective Cables	\$513,480		\$513,480				
FY20	1190	Ventura - LA County	Worn	High	Grade Crossing	Grade Crossing Rehab 2 Locations per Year	\$531,800	\$531,800					
FY20	1189	Valley	Worn	High	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year	\$557,480	\$557,480					
FY20	1174	Olive	Worn	High	Signals	Rehab Worn or Defective Cables - Olive Sub	\$513,480		\$513,480				
FY20	1183	San Gabriel - LA County	Worn	High	Signals	Rehab Worn or Defective Cables	\$511,940	\$511,940					
FY20	1188	Valley	Worn	High	Signals	Rehab Worn or Defective Cables	\$511,940	\$511,940					
FY20	1236	All	Worn	High	Laboratory Testing	SCRRRA Positive Train Control Lab Systems Support and Testing	\$1,940,000	\$646,000	\$269,280	\$150,960	\$195,840	\$97,920	
FY20	1234	All	Worn	High	Signals	SCRRRA Production Backoffice Systems Upgrades and Testing Support	\$415,000	\$387,125	\$161,370	\$90,465	\$117,360	\$58,680	
FY20	1232	All	Marginal	High	Signals	Backoffice Hardware & Software Replacement (DOC & MOC)	\$553,500	\$162,913	\$109,503	\$61,439	\$79,704	\$39,852	
FY20	1309	Rialto	Worn	High	Grade Crossing	Phase 3 - Rehabilitation of grade crossings on the Rialto Industrial Track	\$250,000				\$250,000		
FY20	1311	River	Worn	High	Signals	Phase 3 - Signal System Rehab - CP Terminal Rehab Turnouts 3K, 5, 3K, 7, 7X and Power Switch Machines	\$1,000,000	\$475,000	\$198,000	\$111,000	\$144,000	\$72,000	
FY20	1314	All	Worn	High	Facilities	Phase 3 - Replace Carshop Jacks at CMF	\$279,820	\$132,820	\$55,365	\$31,038	\$40,265	\$20,133	
FY20	1307	Pasadena	Worn	Low	Grade Crossing	Phase 3 - Rehabilitation of grade crossings on the Pasadena Subdivision	\$1,000,000	\$1,000,000					
TOTAL							\$59,281,615	\$27,006,754	\$11,514,921	\$5,128,095	\$10,165,710	\$5,467,595	

PROJECT PROPOSALS FOR FY2019 CAPITAL BUDGET

Attachment M

ORIGINALLY INTENDED	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	DCTA	RCTC	SBCTA	VCTC	OTHER (1)
FY18	219	Alt	n/a	n/a	Track	Central Maintenance Facility West Entrance - Phase 2	\$9,698,500	\$4,606,788	\$1,920,303	\$1,076,534	\$1,396,584	\$698,292	
FY18	1220	Alt	n/a	n/a		Project Study Reports and Initial Design for Capital Projects	\$1,000,000	\$475,000	\$198,000	\$111,000	\$144,000	\$72,000	
FY19	1079	Alt	n/a	n/a	Facilities	Electric Vehicle Charging Stations	\$461,380	\$219,156	\$91,353	\$51,213	\$66,419	\$31,219	
FY19	215	Valley	n/a	n/a	Track	Palmdale Passing Siding	\$9,380,400	\$9,380,400					
TOTAL							\$20,540,280	\$14,681,343	\$2,209,656	\$1,238,747	\$1,607,023	\$803,511	

PROJECT PROPOSALS FOR FY2020 CAPITAL BUDGET

Attachment N

ORIGINALLY INTENDED	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	OCTA	RCYC	SBCTA	VCTC	OTHER (1)
FY20	398	SB Shoreway	n/a	n/a	Facilities	EMF ADDITIONAL UNDERGROUND FUEL STORAGE TANKS	\$2,608,200				\$2,608,200		
FY20	1085	All	n/a	n/a	Facilities	Locomotive Test Facility CMF and EMF	\$2,298,450	\$1,091,764	\$455,093	\$255,128	\$330,977	\$165,488	
TOTAL							\$4,906,650	\$1,091,764	\$455,093	\$255,128	\$2,939,177	\$165,488	

REHABILITATION PROJECT BALANCES CARRIED INTO FISCAL YEAR 2018
Attachment O

(\$000s)

Sum of Carryover

Proj #	Subdivision	Category	Project Name	Member					UPRR\PTMISEA	OTHER	Total Carryover
				Metro	OCTA	RCTC	SBCTA	VCTC			
450097	Systemwide	PTC, C+S	Customer Information System (CIS)	17	1	1	2				21
510084	Systemwide	Facilities	Facilities Design/Outfit Melbourne MoW Facility	89	40	23	30	15			197
513006	Ventura - VC	Track	Rehab turnout @ Strathern					3			3
513007	Ventura - VC	Structures	Capacity ratings on bridges/culverts (5)					15			15
513008	Ventura - VC	Signal	Rehab/replace crossing gates, gate savers, predictors, batteries and other equipment					9			9
513009	Ventura - VC	Communication	Upgrade/Replace Wayside Communications and Remote Monitors - Ventura Subdivision (Ventura Co.)					8			8
513010	Ventura LA	Track	Rehab turnouts @ Woodman, Berson & Raymer.	7							7
513011	Ventura LA	Structures	ROW grading and tunnel vacuuming.	3							3
513015	Valley	Structures	Determine capacity ratings on bridges/culverts.	12							12
513016	Valley	Signal	Rehab 4 M23A switches at CP Taylor.	66							66
513017	San Gabriel	Track	Transition Rails & Insulated Joints. Rehab turnouts @ Irwin, CP Bassett, CP Barranca	21			14				35
513018	San Gabriel	Signal	Rehab Electrologic CP Marengo & CP Vista	9			6				15
513019	San Gabriel	Communication	Upgrade/Replace Comm Equipment and Wayside Comm Sites - San Gabriel Sub	119			79				198
513021	Rialto	Signal	Rialto Industry Track Grade Crossing Rehabilitation				7				7
513022	Orange	Track	Transition Rails & Insulated Joints.		128						128
513023	Orange	Structures	Rehab design analysis - San Juan Creek Bridge (Design Only)		14						14
513024	Orange	Structures	Capacity Ratings on Bridges/Culverts, ROW Grading, & Hydrology Design		28						28
513025	Orange	Signal	Rehab electrologic CP Capistrano.		212						212
513026	Orange/Olive	Signage	Rehab faded and damaged signage at 4 Stations		261						261
513027	River	Track	Transition Rails & Insulated Joints. Rehab turnouts.	28	14	8	10	5			65
513028	River	Structures	Capacity Ratings on Bridges/Culverts, ROW Grading	17	7	4	5	3			36
513029	River	Signal	Battery replace CP Terminal & CP Mission.	16	7	4	5	2			33
513030	River	Communication	Establish Comm Path Diversity at CP Locations	3	3		1				7
513031	Systemwide	Facilities	Upgrade Ground Power and Fuel Management System at CMF	27	11	6	8	4			57
513038	Systemwide	IT	Enterprise project mgmt, tracking, scheduling solution	10							10
513039	Systemwide	Sig/Veh	FSSO Hyrail bucket trucks, renew brush truck generators	13	6	3	4	2			29
513040	Systemwide	MoW	Melbourne Maintenance Support Facility	10	1						11
513042	Systemwide	Signal	Install additional signal heads and signal equipment.	6	2	1	2				11
513043	Systemwide	Vehicles	Replacement of rubber-tire vehicles for field operations	6	2	1	3				12
513044	Systemwide	Vehicles	Replace rail car mover	3	1	12	15				31
513045	Systemwide	TVM	TVM Upgrades	12	5	3					20
513048	Systemwide	IT	SCRR Fleet Plan	2							2
514001	91-LA	Signage	CMS & PA System Rehabilitation at Montebello/Commerce & Norwalk/SF Springs. I	26							26
514002	Olive	Track	Rehabilitate Wood Cross Ties on the Olive Subdivision (Quantity 1400)		84						84
514003	Orange	Communication	Communication System Upgrade from OC Sub to TCOSF or MOC		8						8
514004	Orange	Safety	Fencing Installation at San Clemente Park		10						10
514007	Orange	Track	Rehabilitate Wood Cross-Ties on Orange Sub, Split FY12-13 and FY13-14 (21,400 ties)		151						151
514008	Orange	Track	Rehabilitate Curves 17 (MT 1 & 2), 39, 40, 46 & 53 on Orange Sub.		51						51
514009	Orange/Olive	CIS/Signage	Rehab CMS & PA Systems at High Priority Stations on Orange County line. Integrate with back office		25						25
514010	Orange/Olive	Signal	Rehabilitate /Replace/Add Crossing Gates/Gatesavers, Predictors, Batteries, Other Crossing Equipmer		54						54
514012	PASADENA	Track	Pasadena Sub: Replace Timber Cross-ties.	5							5
514013	San Gabriel	Communication	San Gabriel Sub: PTC Communications Systems Remote Monitoring & Access Contro	12			8				20
514014	San Gabriel	Safety	Fencing Installation Fontana-Beech MP 47.6. ROW Grading, Ditching and Fencing.	13			9				22
514015	San Gabriel	Signage	Rehabilitate CMS & PA at 4 Stations on the San Gabriel Subdivision. Integrate with B	9			6				15
514017	San Gabriel	Track	Rehabilitate Curves at Various Locations on the San Gabriel Subdivision.	69			46				115

514018	Valley	Communication	Valley Sub Communications Backhaul Rehabilitation	15						15
514020	Valley	Safety	Fencing Installation MP 14.7 & MP 31. Vacuum Tunnels, ROW Grading, Ditching & F	6						6
514021	Valley	Signage	CMS & PA Systems Rehabilitation on the Antelope Valley Line stations. Integrate wit	98						98
514022	Valley	Signal	Valley Sub Signal Rehab: 1 Electrologic Location and Other Crossing Work	26						26
514024	Valley	Track	Rail Replacement and Rehab Curves at Various Locations on Valley Sub	166						166
514026	Ventura LA	Signage	Rehabilitate CMS System & PA System at the Northridge Station. Integrate with Bac	30						30
514027	Ventura LA	Signal	Ventura Sub Signal Rehab (LA Co.)- Replace GCP4000 (2 loc.) and Replacement of 3 c	118						118
514030	Ventura LA	Track	Replace Rail on Curve 130, (MT 2) on Ventura Sub (LA County)	684						684
514031	Ventura - VC	Communication	Rehabilitate Communication Systems Ventura Sub (Ventura Co), Including TCOSF and MOC Pathways.					11		11
514032	Ventura - VC	Facilities	Replace Light Fixtures and Ground Power Cables at Moorpark Layover					13		13
514033	Ventura - VC	Signage	Rehabilitate CMS & PA Systems at 3 Ventura County Stations. Integrate with Back Office Server.					41		41
514036	Ventura - VC	Track	Rehabilitate Crossing at Tapo Street in Ventura County					48		48
514038	River	Safety	Fencing Installation near 9th Street on the River Subdivision. ROW Grading, Ditching	47	20	11	14	7		99
514039	River	Signal	River Sub Signal Rehabilitation	12	5	3	4	2		25
514042	Systemwide	Facilities	Rehabilitate Drop Table and Wheel True Machine at CMF.	29	12	7	9	4		62
514043	Systemwide	Facilities	Replace Fuel Tanker Truck	82	29	16	21	11		160
514044	Systemwide	Facilities	Fueling System Improvement	10	4	2	3			20
514045	Systemwide	Facilities	Melbourne C&S Material Relocation Program (MSF Phase 3)	2						2
514046	Systemwide	IT	Electronic Ticketing System	5	2	1				8
514047	Systemwide	IT	FIS Phase 2 & Business Intelligence Solution Data Warehouse.	24	10	6	7	4		50
514048	Systemwide	IT	TAM Plan and System for FTA MAP-21 Compliance.	1						1
514049	Systemwide	IT	Design/Analysis for Replacement of Current TVM System	9	4	2	13	1		30
514055	Systemwide	Signal	System Signal: Replace Dwarf Signal Heads and Install Remote Card Readers and Vid	3	1					4
514056	Systemwide	Track	Rehabilitate CMF West Access, Tail Track and Crossing.	2						2
514057	Systemwide	Track	Systemwide Rail Grinding and Ultrasonic Rail Testing	54	23	13	16	8		114
514058	Systemwide	Vehicles	Rubber Tire Vehicle Replacement (Non-Fed) - 3 Pool Vehicles	3						3
514059	Systemwide	Vehicles	Rubber Tire Vehicle Replacement (Fed) - (3) MoW Trucks, (Approx 18) PTC Vehicles	2						2
514061	San Gabriel	Track	Rehabilitate Transition Rails & Insulated Joints on the San Gabriel Subdivision	2			2			4
514062	River	Track	Rehabilitate Insulated Joints and Replace Turnout on the River Subdivision	17	6	3	5	3		33
514063	Valley	Fencing	Lancaster Layover and Station Safety/Security Improvements	64						64
514065	Systemwide	Track	FY14 Track Measurement Systems	60	25	14	18	9		127
514066	Ventura LA VC	Structures	Tunnel 26 Drainage	121				93		214
515100	Olive	Structures	Olive Sub Culvert & Bridge Rehab at MP 3.8, 5.01 and 1.70		21					21
515102	Orange	Communication	Orange/Olive Sub: PTC Communications Systems Remote Monitoring & Access Control		11					11
515104	Orange	Structures	Orange Subdivision ROW Grading, Ditching, & Hydrology Design		13					13
515105	Orange	Structures	Orange Subdivision Culvert & Bridge Rehabilitation (9 Structures)		2,762					2,762
515106	Orange	Structures	Orange Subdivision Bridge Repair (San Juan Creek Bridge Design) and Slope Stabilization/Grading		25					25
515107	Orange	Track	Orange Subdivision Ground Penetrating Radar		14					14
515108	Orange	Track	Orange Subdivision Tie Replacement - 1,077 Spot Ties		31					31
515109	Pasadena	Signal	Pasadena Subdivision Signal Rehabilitation	4						4
515113	Riverside	Facilities	Riverside Layover Facility Improvements - DESIGN			522				522
515114	San Gabriel	Communication	San Gabriel Subdivision Communication System Rehabilitation	8			5			13
515115	San Gabriel	Signal	San Gabriel Sub Signal Rehabilitation - Upgrade 28 ECS Units and 2 ElectroLogix	3			2			5
515117	San Gabriel	Track	San Gabriel Subdivision Ground Penetrating Radar	6			4			10
515118	San Gabriel	Track	San Gabriel Subdivision Track Rehabilitation	26			17			44
515122	Valley	Signal	Valley Subdivision Signal Rehabilitation - Crossing Cables Replacement Sierra Hwy	22						22
515123	Valley	Structures	Valley Subdivision Bridge & Culvert Replacement - Design & Construction (4 structur	675						675
515126	Valley	Track	Valley Subdivision Ground Penetrating Radar	3						3
515127	Ventura LA	Communication	Oat Mountain ATCS/VHF Relocation & Consolidation and Remote Monitors/VHF Rad	6						6
515128	Ventura LA	Signal	Ventura Sub (LA Co) Signal Rehabilitation - Upgrade GCP at Tujunga and Clybourn	94						94
515129	Ventura LA	Structures	Ventura Sub (LA Co) Bridge Repair - Design & Construction MP 461.65 Replacement	351						351

515131	Ventura LA	Structures	Ventura Subdivision (LA Co ROW Maintenance)	71						71
515133	Ventura - VC	Communication	Tunnel 26VHF / CP Davis Communication Backhaul (Ventura - VN Co)					14		14
515134	Ventura - VC	Signal	Ventura Sub (Ven Co) Cable Replacement					6		6
515135	Ventura - VC	Structures	Ventura Sub (Ven Co) Bridge Replacement - Construction at MP 438.62					357		357
515137	Ventura - VC	Track	Rehabilitate Sequoia Street Crossing					9		9
515139	River	Signal	River Subdivision Signal Rehabilitation - Dwarf Signal Replacement	4	2		1			6
515142	River	Track	River Subdivision Ground Penetrating Radar	6	3	1	2			12
515143	River	Track	River Subdivision Rail Replacement	1						1
515144	River	Track	Rehab Rail & Ties on River Subdivision East Bank	483	201	113	146	73	2,392	3,409
515145	Systemwide	Facilities	Upgrade Sanding System at CMF	10	4	2	3	2		21
515146	Systemwide	IT	Financial Planning & Forecasting Solution - Phase 2	121	51	28	37	18		255
515148	Systemwide	Mechanical	Battery Change Out on Gen 3 Cars	30	7					37
515151	Systemwide	Mechanical	Gen 1 Rail Car Overhaul	138	166	149	193	96		742
515152	Systemwide	PTC, C+5	PTC Communication and Signal Systemwide Rehab	1						1
515154	Systemwide	Track	Track Measurement & Testing - Machine Vision & Track Infrastructure Report	6	2	1	2			11
515155	Systemwide	Track	Systemwide Rail Grinding	4	2		1			7
515159	Valley	Valley	Tunnel 25 Drainage	2						2
516050	Systemwide	Rolling Stock	Rail Car Restoration							
516069	Systemwide	Facilities	Replace NOX2 Monitoring System				3	4		595
516110	Ventura - VC	Track	Ventura Sub (Ven Co) Rail Grinding							7
516111	Ventura - VC	Track	Ventura Sub (Ven Co) Rail Replacement					4		4
516120	Ventura - VC	Structures	Ventura Sub (Ven Co) Bridge & Culvert Rehab					429		429
516130	Ventura - VC	Signal	Ventura Sub (Ven Co) Signal Rehabilitation					468		468
516410	San Gabriel	Track	San Gabriel Sub Track Rehab					76		76
516511	Olive	Track	Olive Sub Replace Track Panels -				762			762
516530	Olive	Signal	Orange/Olive Sub Signal Engineering	22						22
516610	Orange	Track	Orange Sub Rail Grinding	209						209
516611	Orange	Track	Orange Sub Rail Replacement	189						189
516612	Orange	Track	Orange Sub Replace Track Panels	1,617						1,617
516620	Orange	Structures	Orange Sub Replace Track Panels	300						300
516620	Orange	Structures	Orange Sub ROW Grading/Ditching	206						206
516621	Orange	Structures	Orange Sub - San Juan Creek Bridge Design	1,891						1,891
516631	Orange/Olive	Signal	Orange/Olive Sub Signal Rehabilitation - GCP4000 (5 EA) and Gate Mechanisms (5 tot)	177						177
516640	Orange	Communication	Orange Sub Communication Rehabilitation	133						133
516819	Redlands	Track & Signal	VALLEY SUB TIE REPLACEMENT				63			63
516820	Riverside	Facilities	Downtown Riverside Layover Improvements				15			15
516930	PVL /former San Jacint	Signal	PVL Signal Engineering				10			10
516931	PVL /former San Jacint	Signal	PVL Signal Rehabilitation				689			689
516940	PVL /former San Jacint	Communication	PVL Communication Rehabilitation - Remote Network Monitors at 19 Locations				31			31
517030	Systemwide	Signal	Replace Signal Maintenance Vehicles	36	15	8	11	5		75
517040	Systemwide	Comm & PTC	Back Office & PTC Lab Upgrades	1,234	514	288	374	187		2,598
517050	Systemwide	Rolling Stock	Gen 1 HVAC Overhaul (20 Bombardier Coach Cars)	152	63	36	46	23		320
517051	Systemwide	Facilities	CMF Elevator Modernization	62	26	14	19	9		130
517052	Systemwide	Facilities	CMF Drainage Redirection	757	316	177	230	115		1,594
517053	Systemwide	Facilities	EMF Parking and Track Lighting	300	125	70	91			587
517054	Systemwide	Facilities	Stabilize Canopies and Platforms at LAUS	473	197	111	143	72	265	1,261
517110	Ventura - VC	Track	Rehab 2,100 Ft Rail - Ventura Sub (Ven Co)					333		333
517120	Ventura - VC	Structures	Bridge Rehab MP 438.85 Ventura Sub (Ven Co)					138	291	429
517121	Ventura - VC	Structures	Design Bridge/Culvert MP 434.12 & 436.96					277		277
517122	Ventura - VC	Structures	Culvert Rehab MP 436.56 Ventura Sub (Ven Co)					368		368
517130	Ventura - VC	Signal	Replace Back-Up Battery Banks & Worn Underground Cables					200		200
517140	Ventura - VC	Comm & PTC	Communications Rehab - Ventura (Ven Co)					238		238

517310	Valley	Track	Tie Rehabilitation - Valley Subdivision	1,400						1,400	
517320	Valley	Structures	Culvert Rehab - Valley Subdivision	673						673	
517330	Valley	Signal	Rehab Train Control & Grade Crossing Signal Equipment - Valley Sub	350						350	
517410	San Gabriel	Track	Rehab Ties, Turnout, Track Panels	1,186		790				1,976	
517411	San Gabriel	Track	Rail Grinding - San Gabriel Sub	120		80				200	
517420	San Gabriel	Structures	Replace Culvert & ROW Grading/Ditching - San Gabriel Sub	123		82				205	
517430	San Gabriel	Signal	Replace Signal and Grade Crossing Components - San Gabriel Sub	240		160				400	
517431	San Gabriel	Signal	Signal Rehab - San Gabriel Sub	585		390				975	
517440	San Gabriel	Communication	Communications Rehab - San Gabriel Sub	105		70				175	
517530	Olive	Signal	Replace Signal and Grade Crossing System Cables - Olive Sub		450					450	
517610	Orange	Track	Upgrade 115 lb Rail with 136 lb Rail - Orange Subdivision		6,912					6,912	
517620	Orange	Structures	Rehab Culvert / ROW Grading - Orange Sub		485					485	
517640	Olive	Comm & PTC	Wayside Comm & CIS Rehab - Orange/Olive Sub		300					300	
517710	River*	Track	Tie Rehabilitation - River Sub (East Bank)	943	393	220	286	143	1,913	3,899	
517711	River	Track	Replace Turnouts - River Subdivision	475	198	111	144	72		1,000	
517730	River	Signal	Replace Batteries, Gate Mechanisms & Install Gate Savers - River	119	50	28	36	18		250	
517731	East Bank	Signal	Rehab Power Switch Machines and Cables - River (East Bank)	74	31	17	22	11	344	500	
517740	East Bank	Comm & PTC	Wayside Comm & CIS Rehab - River (East Bank)	18	8	4	6	3	85	123	
517940	PVL	Comm & PTC	Wayside Comm & CIS Rehab - PVL			125				125	
591705	Systemwide	Vehicles	CMF Material Handling Equipment	192	80	45	58	29		405	
591706	Systemwide	Vehicles	3 Hy-Rail MOW Trucks, 2 Bridge & Building Trucks and 1 MOW Gang Truck	318	133	74	97	48		670	
591707	Systemwide	Communication	Rehabilitate Systemwide Network Infrastructure	116	48	27	35	18		245	
591709	Systemwide	Rolling Stock	Sentinel LED Lighting Replacement	220	92	51	67	33		464	
TOTAL				14,672	19,761	3,118	4,853	4,215	4,734	1,151	52,504

NEW CAPITAL PROJECT BALANCES CARRIED INTO FISCAL YEAR 2018

(\$000s)

Attachment P

Subdivision	Category	Projects	Total	Metro	OCTA	RCTC	SBCTA	VCTC	Lease/ Other	State
San Gabriel	Track	860892, 417002	2,725	1,425						1,300
San Gabriel	Track	860885	2,100				334		100	1,666
San Gabriel	Track	860893, 417003	3,076	1,776						1,300
Valley	Structures	414002	670	369						301
Valley	Structures	409006	1,325							1,325
Valley	Track	417004	5,110	2,555						2,555
Systemwide	IT	TVM Project	30,488	12,985	6,857	4,822	4,024	1,800		
Systemwide	Rolling Stock	604001, 608004	4,881	4,096			785			
Systemwide	Rolling Stock	Tier 4 Projects	204,368	4,329	479		24	247	109,100	90,189
Systemwide	Other	Project Studies FY 15-16, 860900 for MTA	520	250	198			72		
Systemwide	Other	Project Studies FY 16-17, Reprogrammed to 517020 for LACMTA (\$475K)	1275	593	257	144	187	94		
Systemwide	Security	416001, 416002	2,150							2,150
Systemwide	Security	417001	5,700							5,700
TOTALS			264,388	28,378	7,791	4,966	5,354	2,213	109,200	106,486

Los Angeles County Commuter Rail Program for Metrolink 2017-18



LACMTA Total Metrolink Subsidy Recommendation for FY 2017-18

	2017-18 (millions)	2016-17 (millions)
Operations	\$71.7	\$71.8
Rehabilitation	\$ 6.8*	\$28.4
AVL 100% Fare Enforcement	\$ 1.9	\$ 1.7
ROW Security	\$ 2.4	\$ 2.4
AVL Fare Reduction	\$ 1.3	\$.7
Rotem Car Reimbursement	Paid in Full	\$ 1.5
Capital Projects	\$ 0	\$.7
TOTAL Subsidy	\$84.1	\$107.2

* Note – Metrolink is requesting an additional \$6.2 for all share projects.



Metro

Metrolink FY 2017-18 Budget Programming Comparison

	Metrolink Budget Request FY 17-18 (millions)	Metro Recommended Budget FY 17-18 (millions)
Operations	\$ 71.7	\$71.7
Rehabilitation	\$ 45.2	\$6.8 ⁽¹⁾
Capital	\$ 2.5	\$ 0
Total	\$119.4	\$78.5

(1) Metro staff is recommending funding \$6.8M to overhaul 28 cab cars. The total cost is \$40,500,000. Metrolink has received \$20,207,000 in Prop 1A grant funds which must be expended by 2021. Metro is committed to funding the most urgent track and structure projects referred to as Slow Orders up to the amount of \$31,864,316


Metrolink Slow Orders

September 23, 2016 Board Meeting Agenda Packet (3).pdf - Adobe Acrobat Reader DC

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Home Tools Proposed Gen 1 B... Car Overhaul Cas... Proposed Gen 1 B... TAC Agenda for S... BOARD REPORT J... September 23, 20... x ? Sign In

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 **METROLINK**

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

TRANSMITTAL DATE: September 16, 2016

MEETING DATE: September 23, 2016 **ITEM 22**

TO: Board of Directors

FROM: Arthur T. Leahy *ATL*

SUBJECT: Planned Slow Orders Resulting from Deferred Funding for Track and Structures Rehabilitation

Issue

Track and structures rehabilitation funding will be required in the next 18 months for track and within 36 months for bridges and culverts. Bridges and culverts have longer lead times and take longer to get "shovel-ready" than track projects. If additional funding is not approved, slow orders and weight restrictions will be applied to various locations on the system, principally on the Valley, Ventura, River and San Gabriel line segments.

Recommendation

The Board may receive and file this report.

8:36 AM 6/8/2017



Metro

Metrolink Slow Order Project Funding Requests by Member Agency

	TOTAL COST	Metro	OCTA	RCTC	SBCTA	VCTC	UPRR	AMTRAK
Rehabilitation Needed to Avoid Slow Orders	\$45,357,800	\$31,864,316	\$836,526	\$468,961	\$2,228,382	\$5,252,091	\$4,707,524	
Union Station Platform/Canopies	\$ 3,351,500	\$ 1,225,811	\$510,970	\$286,453	\$371,614	\$185,807		\$770,845
Juniper-Serra Crossing	\$ 493,350	\$ 296,010			\$197,340			
Member Agency Shares	\$49,202,650	\$33,386,137	\$1,347,496	\$755,414	\$2,797,336	\$5,437,898	\$4,707,524	\$770,845
Metro Board Approved Phase 1 Apr 2017 *		\$18,381,025	Other Member Agencies Combined Total \$10,338,144					

* Phase 2 is currently being evaluated for the remaining \$15M

Metrolink FY Operating Budget Comparison

- Metro funds are approximately 51% of the overall Metrolink subsidy

	FY 14-15 (millions)	FY 15-16 (millions)	FY 16-17 (millions)	FY 17-18 (millions)
Total Operating Costs	\$223	\$230	\$244	\$243
Revenues	\$111	\$102	\$102	\$101
Difference (Member Agencies)	\$112	\$128	\$142	\$142
MTA Subsidy	\$ 60	\$ 65	\$72	\$72



Metro

LACMTA Historical Subsidy Levels to SCRRA

FY	Operations (millions)	Rehab. (millions)	Total (millions)
2007-08	\$33.1	\$15.0	\$48.1
2008-09	\$37.3	\$15.6	\$52.9
2009-10	\$38.0	\$15.8	\$53.8
2010-11	\$38.8	\$ 8.0	\$46.8
2011-12	\$40.1	\$ 8.0	\$48.1
2012-13	\$46.1	\$15.7	\$61.8
2013-14	\$55.0	\$20.5	\$75.5
2014-15	\$59.7	\$12.4	\$72.1
2015-16	\$65.6	\$ 0	\$65.6
2016-17	\$71.8	\$28.4	\$100.2
2017-18	\$71.7	\$ 6.8*	\$78.5



Metro

*Metro has committed up to \$31.34M to fund the slow order rehabilitation projects and the remaining \$15M is being evaluated



Board Report

File #: 2017-0370, File Type: Plan

Agenda Number: 15.

FINANCE, BUDGET AND AUDIT COMMITTEE JUNE 14, 2017

SUBJECT: FY18 AUDIT PLAN

ACTION: ADOPT THE FY18 PROPOSED AUDIT PLAN

RECOMMENDATION

ADOPT the FY18 Proposed Audit Plan.

ISSUE

At its January 2008 meeting, the Board adopted modifications to the FY07 Financial Stability Policy. The Financial Stability Policy requires Management Audit Services (Management Audit) to develop a risk assessment and an audit plan each year and present it to the Board. It also requires that the Finance, Budget and Audit Committee, as the audit committee for the agency, provide input and approval of the audit plan.

DISCUSSION

Instrumental to the development of the FY18 Audit Plan was completion of the FY17 agency-wide risk assessment. The agency-wide risk assessment is continually being refined and adjusted based upon events, issues identified during audits and agency priorities. The risk assessment continues to place a strong emphasis on the agency's internal control framework and vulnerability to fraud. We believe this year's risk assessment portrays the agency's risks in light of the changes to our risk environment and the challenges the agency faces in the next few years. The result is the FY18 Proposed Audit Plan (Attachment A).

This is the thirteenth year an audit plan has been developed and presented to the Board for input and adoption.

Policy Implications

An audit plan defines the work that will be completed or directed by Management Audit each fiscal year. It indicates both the depth and breadth of audit activities addressing financial, operational and compliance risks for the agency. The audit plan also identifies the extent to which controls are being assessed by routine audit activities, addressed proactively through advisory services, or as a result of

concerns from management.

The annual audit plan is driven by two key factors: (1) risk assessment results and (2) audit resources. The goal in drafting the audit plan is to address the highest risk areas at the agency given the resources available to complete the audits.

In developing the plan, the hours included for each audit are an estimate. There are occasions where some reviews may take longer and therefore absorb more hours than proposed and in other cases, the audit will be completed in fewer hours than estimated. In addition, urgent requests arise that need audit support. When this occurs, the plan must be reassessed and Management Audit may supplement internal resources with outside consultants as long as there is funding and consultants available for the task. Therefore, not all planned audit work may be completed and the audit plan may be reassessed and adjusted during the year for unanticipated risks and work.

DETERMINATION OF SAFETY IMPACT

Approval of this item will not impact the safety of Metro patrons or employees.

FINANCIAL IMPACT

Funding for the annual audit plan will be included in the FY18 budget in Management Audit and the appropriate projects throughout the agency.

ALTERNATIVES CONSIDERED

One option would be not to complete an annual audit plan. This is not recommended since the audit plan is a management tool to systematically assign resources to areas that are a concern or high risk to the agency. Communicating the audit plan to the Board is required by audit standards.

NEXT STEPS

Upon Board approval, Management Audit will develop the audit schedule for FY18. Management Audit will report to the Board quarterly on its progress in completing the annual audit plan.

ATTACHMENT

A. FY18 Annual Business Plan and Proposed Audit Plan

Prepared by: Amanda Hall, Sr. Director, Audit, (213) 922-4554

Reviewed by: Diana Estrada, Chief Auditor, (213) 922-2161



Phillip A. Washington
Chief Executive Officer

**FISCAL YEAR 2018
ANNUAL BUSINESS PLAN
AND
PROPOSED AUDIT PLAN**



Management Audit Services

Fiscal Year 2018 Annual Business Plan And Proposed Audit Plan

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Executive Summary

OVERVIEW

Annually, the Board requires Management Audit Services (Management Audit) to complete an agency-wide risk assessment and submit an audit plan to the Board for its input and approval.

An agency-wide risk assessment is the process of understanding an organization's strategic, operational, compliance and financial objectives to identify and prioritize threats/risks that could inhibit successful completion of these objectives. Risk assessments provide management with meaningful information needed to understand factors that can negatively influence operations and outcomes.

An audit plan is driven by two key factors: 1) risk assessment results, and 2) audit resources. The goal of preparing an audit plan is to address the highest risk areas at the agency given the resources available to complete the audits.

RISK ASSESSMENT

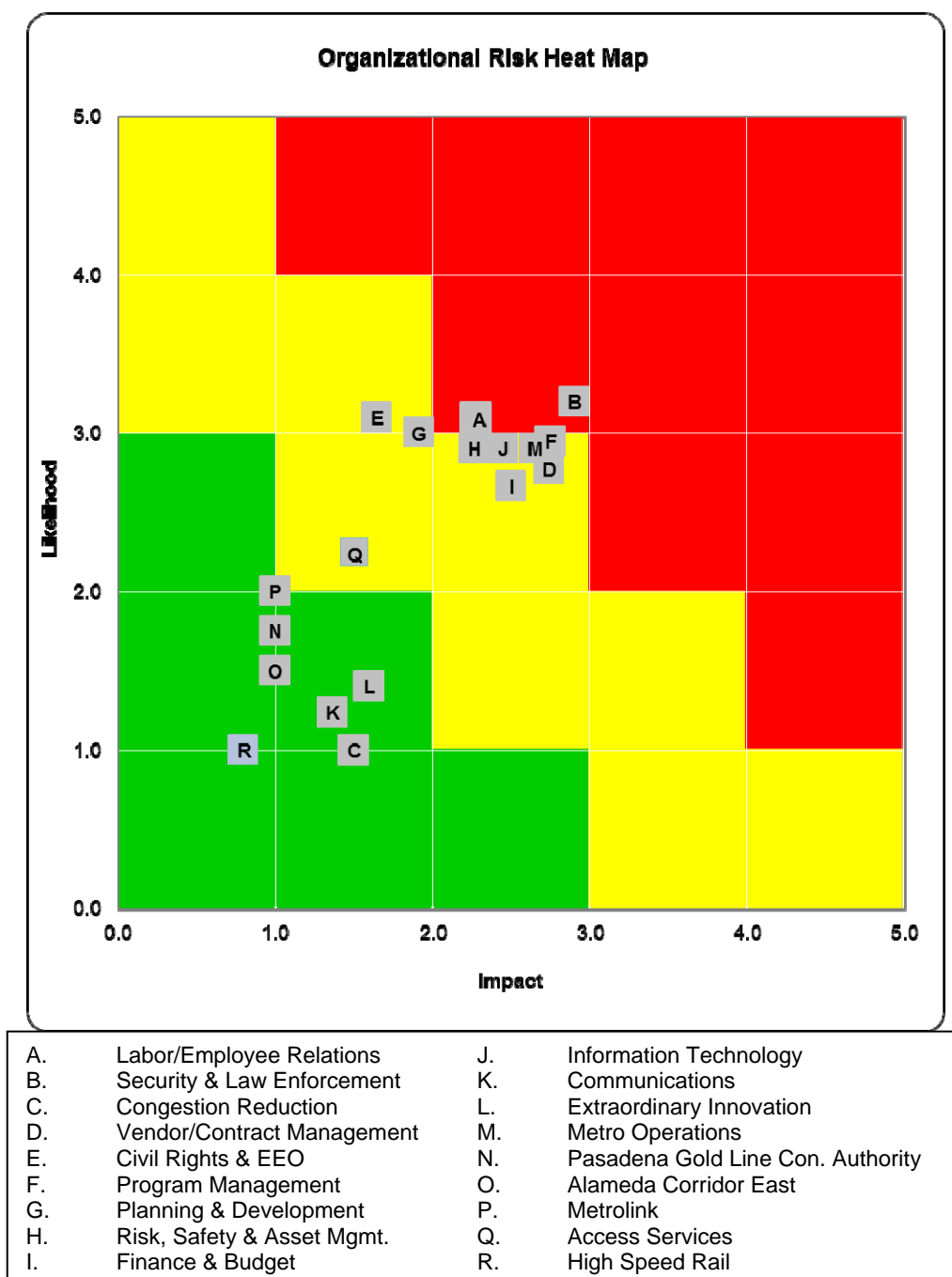
Instrumental to the development of the FY18 Audit Plan was completion of the FY17 agency-wide risk assessment. The agency-wide risk assessment is continually being refined and adjusted based upon events, issues identified during audits and agency priorities. The categorization of risks used corresponds with the current nine CEO initiatives identified in the Budget document:

1. Advance safety and security for our customers, the public, and Metro employees.
2. Exercise fiscal discipline to ensure financial stability.
3. Plan and deliver capital projects on time and on budget, while increasing opportunities for small business development and innovation.
4. Improve the customer experience and expand access to transportation options.
5. Increase transit use and ridership.
6. Implement an industry-leading state of good repair program.
7. Invest in workforce development.
8. Promote extraordinary innovation.
9. Contribute to the implementation of agencywide and departmental Affirmative Action and Equal Employment Opportunity (EEO) goals.

The risk assessment continues to place a strong emphasis on the agency's internal control framework and vulnerability to fraud. We believe this year's risk assessment portrays the agency's risks in light of the changes to our risk environment and the challenges the agency faces in the next few years.

The risk environment continues to evolve with the focus this year on safety and security, state of good repair, capital projects delivery, strategic financing alternatives, key information systems, and the agency's ability to achieve all of its goals successfully with available funding and staffing.

The agency-wide risk assessment process began by reviewing and analyzing key documents such as the annual budget, the Comprehensive Annual Financial Report (financial statements), Annual State of the Agency Address, Program Management Plan, Board/Committee Reports, status reports on major construction projects, and past audit reports. We conducted interviews with key personnel to obtain additional information. All of this information was used to identify risks and concerns specific to individual cost centers as well as risks impacting the entire agency. In addition, similar to last year we evaluated risks related to five outside agencies that receive significant funding from Metro: Access Services, Metrolink, High Speed Rail, Pasadena Foothill Extension Authority (Foothill), and Alameda Corridor East (ACE). Risks were then scored using two factors, magnitude of impact and likelihood of occurrence. As in prior years, a heat map is still being used to display the overall risk assessment of the agency.



High Risk Areas

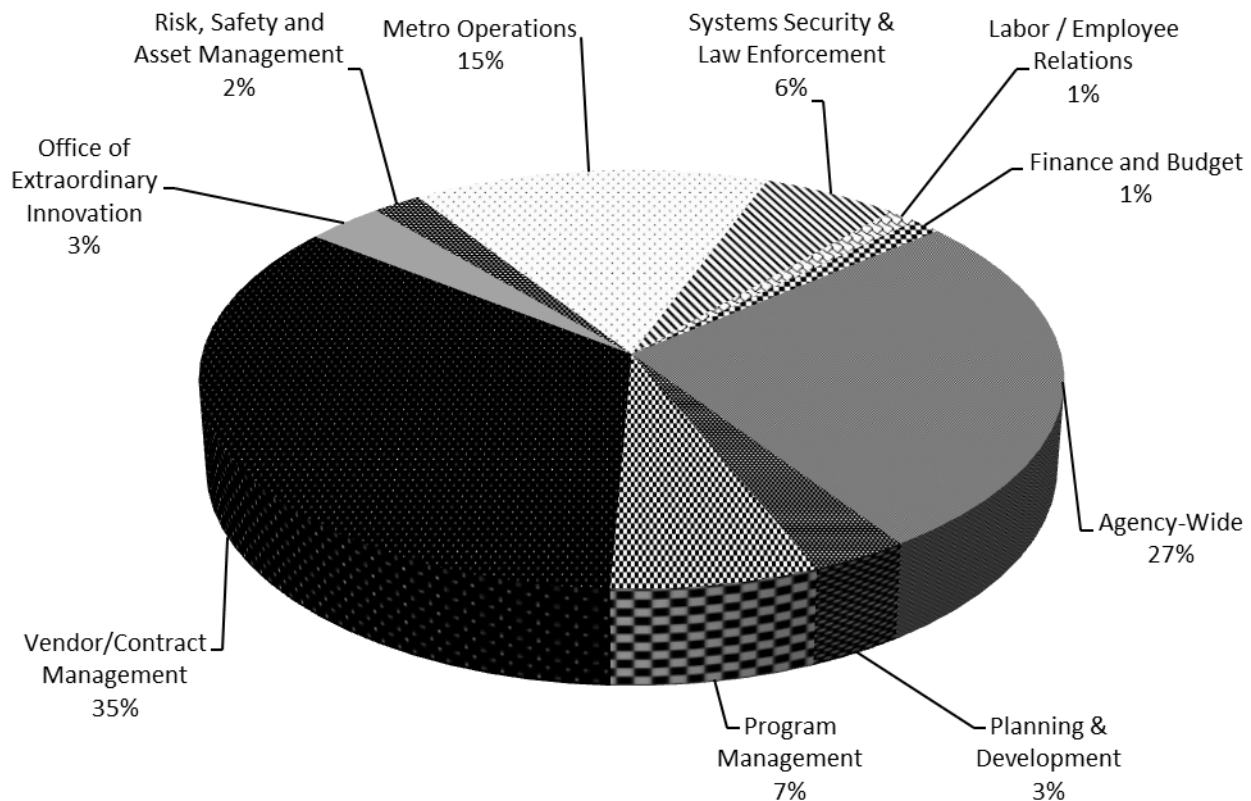
The top internal risks include acquisition of qualified talent, aging infrastructure, safety and security, completion of multiple capital projects, lengthy procurement process, dated information systems, emergency preparedness, and fiscal discipline and fiscal responsibility and Access Services continues to be an external risk.

- 1) The ability to hire qualified technical and support staff and maintaining adequate staffing levels to complete projects, while improving overall performance, continues to be a pervasive concern throughout the Agency. The right number of staff with the right skillset is critical given the aging workforce and passage of Measure M. Management is addressing these concerns by shifting available resources to key risk areas, partnering with local institutions to provide specialized training, expanding the veteran hiring initiative, promoting internal and external leadership training opportunities, implementing the Workforce Initiative Now (WIN-LA) Program and continuing the entry level trainee program. Talent Acquisition is partnering with the various business units to come up with improvements to the overall hiring process.
- 2) Operations' overall risk score is impacted by aging infrastructure coupled with a significant amount of deferred maintenance that is being addressed but is still considered a risk to achieving some of the agency's key goals. Additionally, increased revenue service levels and other competing priorities such as technological upgrades and short and long-term maintenance work pose a challenge to operations' resources. Operations and the Transit Asset Management Department are now collaborating to assess the condition of equipment, rolling stock, infrastructure, and facilities in order to comply with FTA's state of good repair and MAP 21 certification.
- 3) Terrorism and other crimes continue to be potential threats to the Agency. Systems Security and Law Enforcement has started to implement innovative ways to use technology and partner with the Sheriff's Department, Los Angeles Police Department, Long Beach Police Department, and the community to secure high risk areas. In addition, Metro has begun to increase law enforcement visibility to improve safety and security and decrease fare evasion by hiring 77 additional Transit Security Officers.
- 4) Completion of multiple capital projects simultaneously on time within budget is still considered to be a risk due to various high inter-dependencies internally and externally. Effective planning and collaboration with external stakeholders is necessary to mitigate risks of delays and increased costs. Timely delivery of projects becomes even more critical if the 2024 Olympics take place in Los Angeles. Management acknowledges this risk and has already taken initiatives including the development of the Agency's Strategic Plan, Shovel Ready Projects, and Program Management Plan.
- 5) Procurement of goods and services is expected to increase due to the passage of Measure M. Management has prioritized streamlining the procurement process to improve the timely awarding of contracts to meet agency needs.

- 6) Information Technology risk continues to be driven by the need to integrate specialized legacy systems and upgrade and replace aging management systems. Having reliable, complete and timely information is becoming more critical in order to improve accountability and transparency. Management has developed a plan to upgrade and/or replace legacy and aging management systems. Concerns over cyber security vulnerabilities require a more robust approach to monitor and keep up with our security strategy in ensuring system reliability and data integrity. Management has implemented mandatory Cyber Security training for all employees to increase awareness. Risk, Safety and Asset Management is leading the effort for a collaborative business continuity disaster recovery plan to resume operations in the aftermath of a catastrophic event.
- 7) Fostering a culture of financial discipline and fiscal responsibility is imperative, even more so with the passage of Measure M. There is also financial uncertainty regarding federal/state funding levels due to new Federal leadership and State financial position. There is an increased need for transparency and to effectively manage, monitor, track, and report expenditures. Management is exploring Public, Private Partnership (P3) opportunities and other strategic alternatives to ensure financial stability.
- 8) Paratransit demand continues to grow due to demographic shifts that are driving ridership demand and reductions in other human services transportation funding. Access Services has traditionally been funded utilizing a mix of federal and local funds. While demand has grown an average of 6.5% over the last 10 years, federal funds allocated by Metro have grown less than two percent (2%) per year over the same period resulting in increased usage of Proposition C sales tax dollars. To that end, Metro has sought alternative sources of funding from other federal programs, and more recently, inclusion of ADA paratransit funding in Measure M.

AUDIT PLAN

For purposes of the audit plan, the agency has been organized into 13 departmental functions and 5 other agencies funded by MTA. The audits in the FY18 proposed audit plan are distributed across the organizational structure as follows:



A detailed list of audits is included in Appendix A.

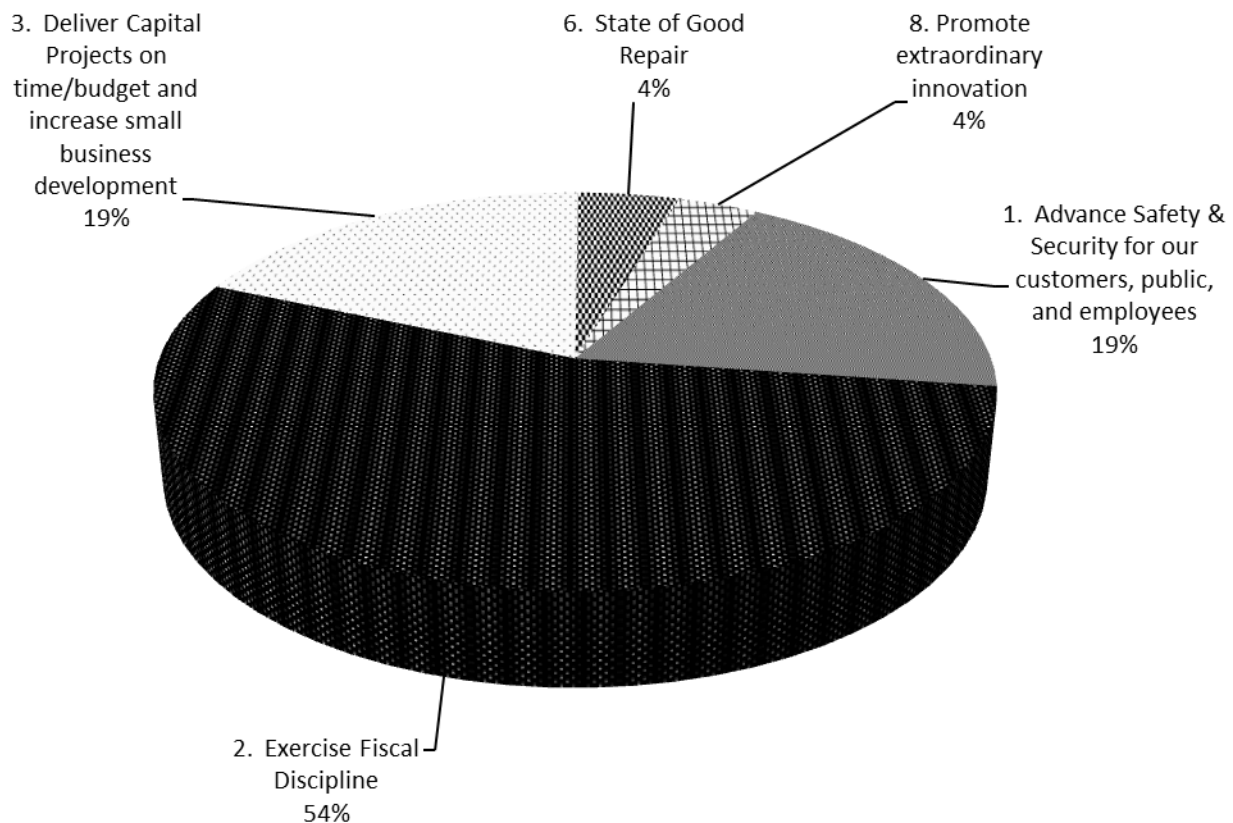
Audit Plan Strategy

The audit plan is based on the information obtained during the agency-wide risk assessment process and includes audits in those areas identified as high risk to the agency.

The projects proposed in the audit plan directly or indirectly support the nine CEO Goals for the agency:

1. Advance safety and security for our customers, the public and Metro employees.
2. Exercise fiscal discipline to ensure financial stability.
3. Plan and deliver capital projects on time and on budget, while increasing opportunities for small business development and innovation.
4. Improve the customer experience and expand access to transportation options.
5. Increase transit use and ridership.
6. Implement an industry-leading state of good repair program.
7. Invest in workforce development.
8. Promote extraordinary innovation.
9. Contribute to the implementation of agency-wide and departmental Affirmative Action and Equal Employment Opportunity (EEO) goals.

The following chart summarizes the audits by the primary agency strategic goal.



ALLOCATION OF AUDIT RESOURCES

Our FY18 proposed audit plan is based on 24,450 direct audit hours to be provided by 18 audit professionals and contracted subject matter experts. The direct audit hours are allocated as follows:

- 20,300 hours (83%) for new audits,
- 2,500 hours (10%) for CEO requested projects, and
- 1,650 hours (7%) for audits which are still in progress.

In developing the plan, the hours included for each audit are an estimate. There are occasions where some audits may take more or fewer hours than estimated. In addition, urgent requests from the CEO or Executive Management may arise that require audit support. When this occurs, Management Audit will reassess the plan and may supplement internal resources with outside consultants, pending available funding. Management Audit may also use external consultants to provide subject matter expertise when necessary.

The FY18 proposed audit plan included in Appendix A attempts to provide a balanced and effective review of the entire agency constrained by Management Audit resource limitations.

The CEO has the discretion based on agency need or Board direction to reprioritize audit resources. We are dedicated to completing our audit plan while continuing to be flexible and responsive to the agency's needs.

AUDIT PLAN AREAS

Internal Audits

The internal audits were selected based on the results of the FY17 agency-wide risk assessment. Areas identified as critical or high risk during the agency-wide risk assessment were given priority when identifying potential audits for the FY18 proposed audit plan. Since there are more risks than available resources, resources were the key factor in selecting the number of risks and areas to audit. The audits identified for the FY18 proposed audit plan were selected based on one of the following four strategic audit objectives:

1. Support agency-wide goals and objectives
2. Evaluate governance, risk and internal control environment
3. Review efficiency and effectiveness of operations
4. Validate compliance to regulatory requirements

The majority of Management Audit's projects are focused on identifying business process improvements and innovative ways to support the agency's strategic initiatives. This is in addition to our traditional assurance work on "hard controls", such as segregation of duties, safeguarding agency assets, reliability of financial and operational information, and compliance with regulations, contracts, and memorandums of understanding (MOUs). Since the agency is currently undertaking numerous major IT system enhancements and development, audit resources will also provide assurance that the internal controls of critical systems are adequate and working effectively.

Contract Pre-Award & Incurred Cost Audits

Incurred Cost Audits review costs associated with MOUs issued under the Call for Projects program or contract incurred costs. Contract Pre-award Audits review costs proposed for contracts and change orders issued by Vendor/Contract Management. We identified the audits in the FY18 proposed plan based on discussions with project managers and contract administration staff. The universe of audits was balanced against the associated budget authorized to complete the work. The grant audit work was completely outsourced in FY17 and will continue to be outsourced in FY18 due to a shortage of permanent staff.

The highest priority for FY18 is contract audits for large construction, corridor, and rolling stock regulatory projects followed by pre-award audits for all other projects. This is followed by incurred cost and closeout audits in the priority list. External resources will be used if there are available funds to meet critical project deadlines.

External Financial and Compliance Audits

In 2009, Management Audit assumed the responsibility for managing the agency's planned audits by external auditors. The FY18 proposed audit plan includes hours to ensure that these audits are completed within the scope and schedule of the contracts.

Special Request Audits

The FY18 proposed audit plan also includes 2,500 hours or approximately 10% of available hours for special projects requested by the CEO. These hours provide some

flexibility in the audit plan to respond to emerging issues where the CEO may need audit resources to address an unanticipated issue or heightened concern.

In order to comply with Government Accountability Office's Generally Accepted Government Auditing Standards and the Institute of Internal Auditor's (IIA) International Standards for the Professional Practice of Internal Auditing Standards, internal audit must adopt a process to monitor and assess the overall effectiveness of the audit quality process. This self-assessment measures compliance to the Standards and to Management Audit's Charter, mission statement, objectives, audit policy manual, supervision, and staff development. In addition, the internal quality assurance review assesses our effectiveness and promotes continuous improvement within Management Audit. This internal review will also help us prepare for the external quality assurance review scheduled for FY18.

OTHER PLANNED ACTIVITIES

Audit Tracking and Follow-up

In compliance with the Standards, Management Audit tracks and follows up on the implementation of all audit recommendations from both internal and external audit groups including OIG, State of California, FTA, etc. Management Audit also reports all outstanding audit issues to the CEO and Board of Directors on a quarterly basis to ensure that any significant risks to the agency are addressed in a timely manner.

MANAGEMENT AUDIT SERVICES FRAMEWORK

Metro's vision is excellence in service and support. Management Audit is committed to providing essential support to achieve this vision. To do this we have developed our department vision which is to deliver value by driving positive change through partnership and trust. In order to ensure our work is consistently reliable, independent and objective, Management Audit completes work under the framework of our Board approved Audit Charter. The Audit Charter includes Management Audit's mission, the standards we must comply with, and our department's objectives and core function.

Mission

Our mission is to provide highly reliable, independent, objective assurance and consulting services designed to add value and improve operations. The department accomplishes this by bringing a systematic, disciplined approach to evaluating and recommending improvements to the effectiveness of risk management, controls and governance processes.

Standards

The Institute of Internal Auditors (IIA) defines internal auditing as:

"...an independent, objective, assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve effectiveness of risk management, control, and governance processes."

To meet our client's expectations and for us to function with reliability and credibility, Management Audit must ensure our audits are independent, objective and accurate. Therefore, Management Audit follows the ethical and professional standards

promulgated by the Government Accountability Office, Generally Accepted Government Auditing Standards (GAGAS) and the Institute of Internal Auditors International Professional Practices Framework. Depending on the type of audit being done, Management Audit also follows the standards promulgated by the American Institute of Certified Public Accountants (AICPA) and by the Information Systems Audit and Control Association (ISACA).

Objectives and Core Functions

As summarized in our Audit Charter, the primary objective of Management Audit is to assist the CEO and his management team with their important business and financial decisions by:

- Monitoring and verifying key regulatory and legislative compliance;
- Assessing internal controls effectiveness and fiscal responsibility;
- Evaluating cost reasonableness of contracts and grants;
- Identifying and recommending business process improvements;
- Evaluating and recommending efficiencies and effectiveness of programs and functions;
- Evaluating safety and security of agency systems, programs and initiatives; and
- Tracking and reporting on all outstanding external and internal audit findings.

In addition, Management Audit's objective is to foster a system and environment that supports the highest level of integrity and ethical conduct and provides assurance of an acceptable level of risk to management for all key business processes.

APPENDIX A

DETAILED LISTING OF AUDITS

CEO Goal #1 – Advance safety and security for our customers, the public and Metro employees

	Title	Objective	Area
1.	Audit of Rail Communications Network System	Evaluate Security of Rail Communications Network System	Metro Operations
2.	Audit of Business Continuity Plan	Evaluate Adequacy of Business Continuity Plan	Systems Security and Law Enforcement
3.	Audit of SCADA System	Evaluate IT General Controls of SCADA System	Metro Operations
4.	Audit of Accident Prevention Practices	Evaluate the Efficiency and Effectiveness of Operations' Accident Prevention Practices	Metro Operations

CEO Goal #2 – Exercise fiscal discipline to ensure financial stability

	Title	Objective	Area
1.	Pre-Award Audits	Pre-Award audits for Procurements and Modifications	Vendor/Contract Management
2.	Incurred Cost Contract Audits	Verify Costs are Reasonable, Allowable and Allocable on Cost Reimbursable Contracts for Contractors	Vendor/Contract Management
3.	Incurred Cost Grant Audits	Verify Costs are Reasonable, Allowable and Allocable on Cost Reimbursable Contracts for Caltrans, Cities & County MOUs	Planning & Development / Program Management
4.	Financial and Compliance External Audits	Complete Legally Mandated Financial and Compliance Audits	Agency-Wide
5.	Audit of Consultant Hours	Evaluate Efficiency and Effectiveness of the Use of Consultants	Agency-Wide

FY18 Proposed Audit Plan

Appendix A

	Title	Objective	Area
6.	Audit of Change Orders	Evaluate the adequacy and effectiveness of internal controls over the Contract Change Order Process, and evaluate the utilization of key information (e.g. statement of work, technical evaluations, and independent cost estimates) by Vendor/Contract Management during the Contract Change Order Process.	Vendor/Contract Management
7.	Audit of Key Information	Evaluate the adequacy and effectiveness of the internal controls over the preparation of Key Information	Vendor/Contract Management
8.	Audit of Pre-Award Process	Evaluate the Adequacy and Effectiveness of Internal Controls over the Pre-Award Process, and Evaluate the Utilization of Key Information (e.g. Statement of Work, Technical Evaluations, and Independent Cost Estimates) by Vendor/Contract Management during the Pre-Award Process.	Vendor/Contract Management
9.	Audit of Internal Controls Over Overtime Payments	Evaluate adequacy of internal controls over overtime payments.	Agency-Wide
10.	Audit of HASTUS - Confirmation of Collective Bargaining Agreement Changes	Evaluate whether changes from the Collective Bargaining Agreements were effectively integrated into the HASTUS System.	Metro Operations
11.	Follow-up on FY17 Triennial Review Findings	Evaluate the extent of corrective actions for findings identified in the FTA Triennial Review.	Agency-Wide
12.	Audit of Position Reconciliation Process	Evaluate efficiency and effectiveness of position reconciliation process for Full-time equivalents (FTE).	Labor/Employee Relations / Finance & Budget

Strategic Goal #3 – Plan and deliver capital projects on time and on budget while increasing opportunities for small business development and innovation

	Title	Objective	Area
1.	Buy America Post-Award and Post-Delivery	Conduct Buy America Post-Award / Post- Delivery Audits for Rolling Stock Procurements	Vendor/Contract Management
2.	Annual Audit of Business Interruption Fund	Evaluate Business Interruption Fund Program	Vendor/Contract Management
3.	Audit of Regional Connector Project	Evaluate the Adequacy and Effectiveness of Project Management Controls for Regional Connector Project	Program Management
4.	Audit of Environmental Impact Report / Environmental Impact Statement (EIR/EIS) Process	Evaluate the Efficiency and Effectiveness of the EIR/EIS Process	Planning & Development / Program Management
5.	Audit of Quality Assurance Processes	Evaluate the Efficiency and Effectiveness of the Agency's Construction Quality Assurance Program over Minor Construction Projects (Less than \$100 Million) and To Follow-Up on the Implementation of Recommendations from Prior Performance Audit of Quality Assurance, No. 11-CON-K02, Dated December 4, 2013.	Program Management
7.	Audit of Tracking of SBE/DBE Goals	Evaluate the Adequacy and Effectiveness of Process Used by the Diversity and Economic Opportunity Department to Monitor Contractors for Compliance with DBE/SBE Requirements	Vendor / Contract Management

Strategic Goal #6 – Implement an industry-leading state of good repair program

	Title	Objective	Area
1.	Audit of State of Good Repair Plan	Evaluate efficiency and effectiveness of readiness to Comply with State of Good Repair.	Risk, Safety & Asset Mgmt. / Metro Operations

Strategic Goal #8 – Promote extraordinary innovation

	Title	Objective	Area
1.	Audit of P3 Unsolicited Proposal Process	Evaluate the compliance of P3 Unsolicited Proposal Process with the policy.	Office of Extraordinary Innovation



Board Report

File #: 2017-0289, File Type: Program

Agenda Number: 51

**REVISED
REGULAR BOARD MEETING
JULY 27, 2017**

**SUBJECT: COUNTYWIDE CALL FOR PROJECTS
RECERTIFICATION AND DEOBLIGATION**

ACTION: APPROVE 2017 RECERTIFICATION AND DEOBLIGATION RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. RECERTIFYING \$133.2 million in existing Fiscal Year (FY) 2017-18 commitments from previously-approved Countywide Calls for Projects (Call) and AUTHORIZING the expenditure of funds to meet these commitments as shown in Attachment A;
- B. DEOBLIGATING \$18.8 million of previously approved Call funding, as shown in Attachment B, and REPROGRAMMING these dollars to the same modal category from which they came in the 2015 Call;
- C. PROGRAMMING:
1. funds made available from the 2013, 2014 and 2015 Deobligation to the three previously-approved County of Los Angeles Signal Call projects; and
 2. funds released from City of Los Angeles per the November 2007 Board direction on the Proposition 1B funding to the three previously-approved Signal Call projects;
- D. AUTHORIZING the CEO to:
1. negotiate and execute all necessary agreements for approved projects; and
 2. amend the FY 2017-18 budget, as necessary, to include the 2017 Countywide Call Recertification and Extension funding in the Regional Programs' budget;
- E. APPROVING changes to the scope of work for:
1. City of Los Angeles - Boyle Heights Chavez Avenue Streetscape/Pedestrian Improvement (#F3643);
 2. City of Long Beach - Daisy Corridor and 6th Street Bike Boulevard (#F3518)
 3. City of South Gate - Firestone Boulevard Capacity Improvements (#F3124);
 4. City of West Hollywood - Melrose Avenue Complete Street Project (#F9601);

F. REALLOCATING funds originally programmed to the City of Glendale Train Station 1st/Last Mile Regional Improvements Project (#F9624) to the Glendale CNG Fueling and Maintenance Facility Project (#F3432); and

G. RECEIVING AND FILING:

1. time extensions for the 55 56 projects shown in Attachment D; and
2. reprogram for the 24 projects shown in Attachment E.

ISSUE

Each year the Board must recertify funding for projects that were approved through prior Calls in order to release the funds to the project sponsors. The Board must also approve the deobligation of lapsing project funds after providing project sponsors with the opportunity to appeal staff's preliminary deobligation recommendations to Metro's Technical Advisory Committee (TAC). The Board must also receive and file the extensions and reprograms being granted through previously-delegated Board administrative authority.

DISCUSSION

The Call process implements Metro's multi-modal programming responsibilities and implements the adopted Long Range Transportation Plan (LRTP). Metro is required by federal (Title 23 U.S.C. 134 (g) & (h)) and state (P.U.C. 130303) statutes to prepare a Transportation Improvement Program (TIP) for Los Angeles County. The TIP allocates revenues across all transportation modes based on the planning requirements of the federal Moving Ahead for Progress in the 21st Century Act (MAP-21). Metro accomplishes these mandates, in part, by programming revenues through the Call.

The 2017 Call Recertification and Deobligation process reinforces the annual authorization and timely use of funds policies. Specifically, Board policy calls for consideration of deobligation of funding from project sponsors who have not met lapsing deadlines, have not used the entire grant amount to complete the project (project savings) or have formally notified Metro that they no longer wish to proceed with the project (cancellation).

Technical Advisory Committee (TAC) Appeals

On May 3, 2017, TAC heard sponsor appeals on the deobligation of funding from nine projects (Attachment F). TAC recommended either one-year or 20-month extensions with certain reporting conditions on all appeals. Staff concurs with these recommendations. Therefore, no projects would involuntarily lose funding due to lapsing schedule and would have the timeline to completion lengthened under this proposed Board action. Additionally, all proposed deobligated funds are due primarily to project savings or cancellation requested by the project sponsors and would not be involuntarily deobligated by this proposed Board action, as further described in the attachments.

DETERMINATION OF SAFETY IMPACT

The 2017 Call Recertification and Deobligation will not have any adverse safety impacts on Metro's employees or patrons.

FINANCIAL IMPACT

\$75.2M is included in the FY18 Proposed Budget in Cost Centers 0441 (Subsidies to Others) and 0442 (Highway Subsidies) for the Countywide Call. Since these are multi-year projects, the cost center managers, Chief Planning Officer and Chief Program Management Officer will be responsible for budgeting in future years.

Impact to Budget

The sources of funds for these activities are Proposition C 10% and 25%, State Repayment of Capital Project Loan Funds, Congestion Mitigation and Air Quality (CMAQ), and Regional Surface Transportation Program (RSTP). Any deobligated funds freed as a result of this action would be programmed in coordination with Office of Management and Budget in order to identify funding priority projects. The Proposition C 10% funds were previously programmed in Calls prior to the 2015 Call. The Proposition C 10% and 25% funds are not eligible for Metro bus and rail operating and capital expenditures.

CMAQ funds can be used for both transit operating and capital. However, there are no additional operating expenses that are eligible for CMAQ funding. Los Angeles County must strive to fully obligate its share of CMAQ funding by May 1st of each year, otherwise it risks its redirection to other California Regional Transportation Planning Agencies by Caltrans. Staff recommends the use of long-lead-time CMAQ funds as planned to insure utilizing Metro's federal funds.

RSTP funds in this action could be used for Metro's transit capital needs. Also, while these funds cannot be used directly for Metro's bus or rail operating needs, these funds could free up other such eligible funds by exchanging the funds used for Metro's paratransit provider, Access Services Incorporated. Since these RSTP funds originate in the Highway portion (Title 23) of MAP-21, they are among the most flexible funds available to Metro and are very useful in meeting Call projects' requirements.

ALTERNATIVES CONSIDERED

The Board could cancel all or some of the FY 2017-18 funding commitments rather than authorize their continued expenditures. This would be a change to the previous Board approved Countywide Calls programming commitments and would disrupt ongoing projects that received multi-year funding.

With respect to deobligations, the Board could choose to deobligate funds from one or more project sponsors whose projects are beyond the lapse dates and are not moving forward consistent with the adopted Revised Lapsing Policy rather than extending the deadlines. A much stricter interpretation of the Revised Lapsing Policy might encourage project sponsors in general to deliver them in a more timely fashion. However, this would be disruptive to the process of delivering the specific projects currently underway, many of which are now very close to being delivered. On balance, the appeals

process between the project sponsors and the Metro TAC is a significant reminder to project sponsors that these funded projects should not be further delayed to ensure policy objectives are achieved in expending the funds as intended by the Call program.

NEXT STEPS

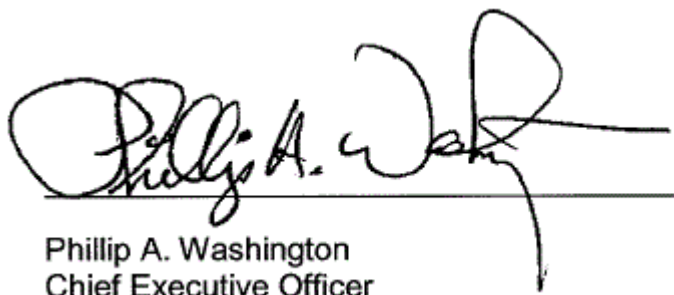
With Board approval of the 2017 Countywide Call Recertification, Deobligation and Extension process, project sponsors will be notified and Funding Agreements (FAs) and Letters of Agreement (LOAs) will be executed with those who have received their first year of funding through the Recertification process. Amendments to existing FAs and LOAs will be completed for those sponsors receiving time extensions. Project sponsors whose funds are being deobligated will be formally notified of the Board action as well as those receiving date certain time extension deadlines for executing their agreements.

ATTACHMENTS

Attachment A - FY 2017-18 Countywide Call Recertification
Attachment B - FY 2016-17 Countywide Call Deobligation
Attachment C - Background/Discussion of Each Recommendation
Attachment D - FY 2016-17 Countywide Call Extensions
Attachment E - FY 2017-18 Countywide Call Reprogramming
Attachment F - Result of TAC Appeals Process

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Phillip A. Washington
Chief Executive Officer



LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
2017-18 CALL FOR PROJECTS RECERTIFICATION LIST
(\$000)

PROJ	AGENCY	PROJECT TITLE	TOTAL
F7600	ALHAMBRA	ALHAMBRA PED IMPROVEMENT/WALKING VIABILITY PROJECT ON VALLEY	\$ 605
F9600	AVALON	CITY OF AVALON FIVE-CORNER COMPREHENSIVE PEDESTRIAN PROJECT	171
F9620	BALDWIN PARK	FIRST/LAST MILE CONNECTIONS FOR THE BALDWIN PARK TRANSIT CENTER	16
F7634	BELL	FLORENCE AVE PED IMPROVEMENTS	2,159
F7120	BELL GARDENS	EASTERN AVENUE AND FLORENCE AVENUE RSTI PROJECT	1,043
F9804	BELLFLOWER	DOWNTOWN SMART PARK SYSTEM AND PROGRAM IMPLEMENTATION	87
F7506	BURBANK	CHANDLER BIKEWAY EXTENSION	1,896
F9315	BURBANK	MIDTOWN COMMERCIAL CORRIDORS IMPROVEMENT PROJECT	122
F9626	BURBANK	MIDTOWN COMMERCIAL CORRIDORS IMPROVEMENT PROJECT	50
F7516	CALABASAS	MULHOLLAND HIGHWAY GAP CLOSURE	372
F9301	CALTRANS	I-210 CONNECTED CORRIDORS ARTERIAL SYSTEMS IMPROVEMENTS	3,943
F9530	COMPTON	CENTRAL AVENUE REGIONAL COMMUTER BIKEWAY PROJECT	11
F3317	CULVER CITY	CULVER CITY BUS SIGNAL PRIORITY	2,001
F7507	CULVER CITY	BALLONA CREEK BIKE PATH CONNECTIVITY PROJECT AT HIGUERA BRIDGE	385
F7300	DIAMOND BAR	DIAMOND BAR ADAPTIVE TRAFFIC CONTROL SYSTEM PROJECT	734
F7311	DOWNEY	DOWNEY CITYWIDE TRANSIT PRIORITY SYSTEM PROGRAM	495
F7520	EL MONTE	EL MONTE REGIONAL BICYCLE COMMUTER ACCESS IMPROVEMENTS	15
F3306	GARDENA	GARDENA MUNICIPAL BUS	650
F3432	GLENDALE	GLENDALE CNG FUELING AND MAINTENANCE FACILITY PROJECT	1,556
F7321	GLENDALE	REGIONAL ARTERIAL TRAFFIC PERFORMANCE MEASUREMENT SYSTEM (MATCH MR310.32)	410
MR310.32	GLENDALE	REGIONAL ARTERIAL TRAFFIC PERFORMANCE MEASUREMENT SYSTEM (MATCH FOR F7321)	100
F7709	GLENDALE	REGIONAL BIKE STATIONS (MATCH MR310.34)	747
MR310.34	GLENDALE	REGIONAL BIKE STATIONS (MATCH FOR F7709)	332
F7101	HAWTHORNE	SIGNAL IMPROVEMENTS ON PRAIRIE AVE FROM 118TH ST. TO MARINE AVE.(MATCH MR312.47)	814
MR312.47	HAWTHORNE	SIGNAL IMPROVEMENTS ON PRAIRIE AVE FROM 118TH ST. TO MARINE AVE.(MATCH FOR F7101)	418
F7312	HUNTINGTON PARK	HUNTINGTON PARK SIGNAL SYNCHRONIZATION AND BUS SPEED IMPROVEME	368
F3137	INDUSTRY	SR-57/SR-60 CONFLUENCE PROJECT: WESTBOUND SLIP ON-RAMP	2,800
F7200	INDUSTRY	SR57/60 CONFLUENCE:WB SR60/NB SR57 GRAND OFF-RAMP INTERCHG	6,036
F3128	INGLEWOOD	CENTURY BOULEVARD MOBILITY IMPROVEMENT PROJECT	1,803
F7319	INGLEWOOD	ITS: PHASE V OF INGLEWOOD'S ITS UPGRADES (MATCH MR312.50)	603
MR312.50	INGLEWOOD	ITS: PHASE V OF INGLEWOOD'S ITS UPGRADES (MATCH FOR F7319)	192
F9202	INGLEWOOD	MANCHESTER AND LA CIENEGA GEOMETRIC IMPROVEMENTS	125
F9307	INGLEWOOD	INGLEWOOD ITS PHASE VI	419
F1305	LA CITY	ATCS CENTRAL CITY EAST	2,500
F1307	LA CITY	ATCS CENTRAL BUSINESS DISTRICT	6,000
F1345	LA CITY	ATCS LOS ANGELES	2,200
F3630	LA CITY	MAIN STREET PEDESTRIAN ENHANCEMENTS	165
F3643	LA CITY	BOYLE HEIGHTS CHAVEZ AVE STREETSCAPE/PEDESTRIAN IMPROV.	140
F3650	LA CITY	WESTERN AVE EXPO LINE STATION LINKAGE PROJECT (SOUTH)	616
F5624	LA CITY	WASHINGTON BLVD PEDESTRIAN TRANSIT ACCESS(HOOPER/ALAMEDA) II	1,314
F5821	LA CITY	VALENCIA TRIANGLE LANDSCAPE BEAUTIFICATION PLAZA	110
F7123	LA CITY	MAGNOLIA BL WIDENING (NORTH SIDE) -CAHUENGA BL TO VINELAND	2,104
F7125	LA CITY	SHERMAN WAY WIDENING BETWEEN WHITSETT AVE TO HOLLYWOOD FWY	142
F7205	LA CITY	ALAMEDA ST. WIDENING FROM ANAHEIM ST. TO 300 FT SOUTH OF PCH	3,513
F7207	LA CITY	IMPROVE ANAHEIM ST. FROM FARRAGUT AVE. TO DOMINGUEZ CHANNEL (MATCH MR312.51)	2,511
MR312.51	LA CITY	IMPROVE ANAHEIM ST. FROM FARRAGUT AVE. TO DOMINGUEZ CHANNEL (MATCH FOR F7207)	1,050
F7424	LA CITY	PURCHASE DASH REPLACEMENT CLEAN FUEL VEHICLES	1,807
F7628	LA CITY	WATTS STREETSCAPE IMPROVEMENTS PHASE 2	571
F7707	LA CITY	LAST MILE FOLDING BIKE INCENTIVE PROGRAM	180
F7708	LA CITY	INTERACTIVE BICYCLE BOARD DEMO PROJECT	257
F9119	LA CITY	HARBOR BOULEVARD/SAMPSON WAY/7TH STREET RECONFIGURATION	2,399
F9201	LA CITY	YTI TERMINAL TRIP REDUCTION PROGRAM	1,383
F9204	LA CITY	SLAUSON AVENUE - VERMONT AVENUE TO CRENSHAW BLVD	501
F9206	LA CITY	INTERSECTION IMPROVEMENTS ON HYPERION AVENUE AND GLENDALE BOULEVARD	834
F9309	LA CITY	TRAFFIC SIGNAL RAIL CROSSING IMPROVEMENT PROJECT	417
F9311	LA CITY	ATSAC TRAFFIC SURVEILLANCE VIDEO TRANSPORT SYSTEM ENHAN.	261
F9430	LA CITY	PURCHASE OF THREE ELECTRIC ZERO EMISSION DASH BUSES	845
F9520	LA CITY	MID-CITY LOW STRESS BICYCLE ENHANCEMENT CORRIDORS	312
F9803	LA CITY	BUILDING CONNECTIVITY WITH BICYCLE FRIENDLY BUSINESS DISTRICTS	296
6281	LA COUNTY	NORTH COUNTY/ANTELOPE VALLEY TRAFFIC IMPROVEMENT	278
F1310	LA COUNTY	INFORMATION EXCHANGE NETWORK PHASE II	479
F1311	LA COUNTY	SOUTH BAY FORUM TRAFFIC SIGNAL CORRIDORS PROJECT	400
F1312	LA COUNTY	GATEWAY CITIES FORUM TRAFFIC SIGNAL CORRIDORS PROJECT, PHASE V	100
F1321	LA COUNTY	SAN GABRIEL VALLEY FORUM TRAFFIC SIGNAL CORRIDORS	96



LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
2017-18 CALL FOR PROJECTS RECERTIFICATION LIST
(\$000)

PROJ	AGENCY	PROJECT TITLE	TOTAL
F1344	LA COUNTY	SLAUSON AVENUE CORRIDOR IMPROVEMENTS	1,388
F3308	LA COUNTY	SAN GABRIEL VALLEY FORUM TRAFFIC SIGNAL CORRIDORS PROJECT	100
F3309	LA COUNTY	GATEWAY CITIES FORUM TRAFFIC SIGNAL CORRIDORS PROJECT, PHASE VI	543
F3310	LA COUNTY	SOUTH BAY FORUM TRAFFIC SIGNAL CORRIDORS PROJECT	62
F5310	LA COUNTY	RAMONA BOULEVARD/BADILLO STREET/COVINA BOULEVARD TSSP/BSP	863
F5315	LA COUNTY	SAN GABRIEL VALLEY FORUM TRAFFIC SIGNAL CORRIDORS PROJECT	200
F5316	LA COUNTY	SOUTH BAY FORUM TRAFFIC SIGNAL CORRIDORS PROJECT	200
F7115	LA COUNTY	THE OLD ROAD-LAKE HUGHES RD TO HILLCREST PKWY PHASE I	1,261
F7306	LA COUNTY	FOOTHILL BOULEVARD TRAFFIC SIGNAL CORRIDOR PROJECT	130
F7308	LA COUNTY	EAST LOS ANGELES TRAFFIC SIGNAL CORRIDOR PROJECT.	80
F7700	LA COUNTY	WILLOWBROOK INTERACTIVE INFORMATION KIOSKS	55
F7701	LA COUNTY	EAST LOS ANGELES DEMONSTRATION BICYCLE SHARING PROGRAM	91
F7806	LA COUNTY	VERMONT AVENUE STREETScape IMPROVEMENT PROJECT	662
F9114	LA COUNTY	FULLERTON ROAD CORRIDOR IMPROVEMENTS - LA COUNTY	1,233
F9116	LA COUNTY	MICHILLINDA AVENUE INTERSECTION IMPROVEMENT PROJECT	192
F9511	LA COUNTY	SOUTH WHITTIER COMMUNITY BIKEWAY ACCESS IMPROVEMENTS	617
F5509	LANCASTER	10TH STREET WEST ROAD DIET AND BIKEWAY IMPROVEMENTS	263
F7500	LAWNDALE	HAWTHORNE BOULEVARD CLASS II BICYCLE LANES	171
F9101	LAWNDALE	REDONDO BEACH BOULEVARD IMPROVEMENTS	883
F3518	LONG BEACH	DAISY CORRIDOR AND 6TH STREET BIKE BLVD	1,115
F7314	LONG BEACH	SANTA FE AVENUE SYNCHRONIZATION ENHANCEMENT PROJECT	1,517
F7316	LONG BEACH	ARTESIA CORRIDOR ATCS ENHANCEMENT PROJECT	1,454
F7615	LONG BEACH	MARKET STREET PED ENHANCEMENTS	834
F9130	LONG BEACH	ARTESIA - GREAT BOULEVARD	3,421
F9314	LONG BEACH	MID-CITY SIGNAL COORDINATION IN LONG BEACH	4
F9808	LONG BEACH	PARK OR RIDE	135
F7402	LONG BEACH TRANSIT	LBT CLEAN FUEL BUS REPLACEMENT PROJECT	901
F9502	MONTEREY PARK	MONTEREY PASS ROAD COMPLETE STREETS BIKE PROJECT	39
F1300	PALMDALE	NORTH COUNTY TRAFFIC FORUM ITS EXPANSION, PHASE V	220
F7121	PALMDALE	RANCHO VISTA BLVD WIDENING	3,529
F7304	PALMDALE	NORTH COUNTY ITS - PALMDALE EXTENSION	160
F7317	PASADENA	PASADENA AREA RAPID TRANSIT SYSTEM - TRANSIT SIGNAL PRIORITY	455
F7318	PASADENA	ADAPTIVE TRAFFIC CONTROL NETWORK - PHASE II	652
F9802	PASADENA	SHARED EV EMPLOYER DEMONSTRATION (SEED) PROGRAM	234
F9122	PICO RIVERA	TELEGRAPH ROAD BRIDGE REPLACEMENT	323
F7204	PORT OF LONG BEACH	PIER B STREET FREIGHT CORRIDOR RECONSTRUCTION	3,491
F9518	PORT OF LONG BEACH	COASTAL BIKE TRAIL CONNECTOR - OCEAN BOULEVARD, LONG BEACH	2,401
F7521	REDONDO BEACH	BICYCLE TRANSPORTATION PLAN IMPLEMENTATION PHASE II	1,329
F7523	ROSEMEAD	ROSEMEAD/SOUTH EL MONTE REGIONAL BICYCLE CONNECTOR PROJECT	73
F3307	SAN DIMAS	INTERSECTION IMPROVEMENTS ON BONITA AVE. AT CATARACT AVE.	1,339
F9313	SAN FERNANDO	SAN FERNANDO CITYWIDE SIGNAL SYNCH AND BUS SPEED IMPRV.	77
F7105	SANTA CLARITA	LYONS AVENUE/DOCKWEILER DRIVE EXTENSION	104
F7301	SANTA CLARITA	INTELLIGENT TRANSPORTATION SYSTEMS (ITS) PHASE VI	682
F9306	SANTA CLARITA	ITS PHASE VII	1,612
F9414	SANTA CLARITA	VISTA CANYON METROLINK STATION	1,648
F9513	SANTA CLARITA	RAILROAD AVENUE CLASS I BIKE PATH	139
F7320	SANTA MONICA	SANTA MONICA SIGNAL SYNC IMPROVEMENTS	541
F7704	SANTA MONICA	MULTI-MODAL WAYFINDING: CONGESTION REDUCTION/STATION ACCESS	355
F9625	SANTA MONICA	17TH STREET/SMC EXPO PEDESTRIAN CONNECTIVITY IMPROVEMENTS	1,332
F9807	SANTA MONICA	SANTA MONICA EXPO AND LOCALIZED TRAVEL PLANNING ASSISTANCE	123
8002R	SGV COG	ALAMEDA CORRIDOR EAST - MEASURE R	25,900
6347	SOUTH GATE	I-710/FIRESTONE BLVD. INTERCHANGE RECONSTRUCTION	954
F7309	SOUTH GATE	TWEEDY BOULEVARD AND SIGNAL SYNCHRONIZATION PROJECT	518
F9601	WEST HOLLYWOOD	WEST HOLLYWOOD - MELROSE AVENUE COMPLETE STREET PROJECT	1,222
F5314	WHITTIER	GATEWAY CITIES FORUM TRAFFIC SIGNAL CORRIDORS PROJECT	120
TOTAL			\$ 133,206



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
FY 2016-17 CALL FOR PROJECTS DEOBLIGATION RECOMMENDATIONS
(\$000)**

	PROJ. ID #	AGENCY	PROJECT TITLE	FUNDING SOURCE	MODE	DOLLARS PROGRAMMED AND FISCAL YEAR						\$ EXPD/ OBLG	TOTAL DEOB	REASON
						Prior	FY 17	FY 18	FY 19	FY 20	FY 21			
1	F9537	BEVERLY HILLS	BEVERLY HILLS BIKESHARE PROGRAM	LTF	BIKE		\$ 10	\$ 10			\$ 262	\$ -	\$ 282	CANCELLED
2	F1328	DOWNEY	FLORENCE AVENUE TRAFFIC SIGNAL COMMUNICATION SYSTEM	PC25	SS	1,438						1,254	184	AUDIT SAVINGS
3	F1136	GLENDALE	GRANDVIEW AVE MODIFICATION WITHIN THE CITY OF GLENDALE	PC25	RSTI	2,107						2,066	41	AUDIT SAVINGS
4	8102	LANCASTER	SR-14 FREEWAY/AVENUE I INTERCHANGE IMPROVEMENTS	PC25	RSTI	5,351						3,457	1,894	AUDIT SAVINGS
5	8047	LA CITY	BALBOA BLVD AND VICTORY BLVD INTERSECTION IMPROVEMENTS	PC25	RSTI	2,420						1,989	431	AUDIT SAVINGS
6	F3142	LA CITY	EXPOSITION PARK TRAFFIC CIRCULATION IMPROVEMENTS	CMAQ	RSTI	2,910						400	2,510	CANCELLED - PENDING CITY COUNCIL ACTION
7	F9532	LONG BEACH	ATHERTON BRIDGE AND CAMPUS CONNECTION	TBD	PED						1,877	-	1,877	ATP AWARD SAVINGS
8	6324	PASADENA	ITS IMPROVEMENTS: LAKE AVENUE AND DEL MAR BLVD	PC25	SS	770						566	204	AUDIT SAVINGS
9	F9516	PASADENA	PASADENA BICYCLE PROGRAM-UNION STREET 2-WAY CYCLE TRACK	CMAQ	BIKE		745		1,969			-	656	ATP AWARD SAVINGS
10	6364	SANTA CLARITA	SIERRA HIGHWAY OVER THE RAILROAD	PC25	RSTI	1,999						1,078	921	AUDIT SAVINGS
11	F3124	SOUTH GATE	FIRESTONE BLVD CAPACITY IMPROVEMENTS	PC25	RSTI	9,424						458	2,352	SCOPE CHANGE
12	F7526	TEMPLE CITY	LAS TUNAS DRIVE BICYCLE IMPROVEMENTS	CMAQ	BIKE		2,722					-	2,722	CANCELLED
13	F7618	TEMPLE CITY	LAS TUNAS DRIVE IMPROVEMENTS AND SAFETY ENHANCEMENT PROJECT	CMAQ	PED		2,910					-	2,910	CANCELLED
14	F7812	TEMPLE CITY	LAS TUNAS DRIVE COMPLETE STREETS IMPROVEMENT PROJECT	CMAQ	TDM		1,277					-	1,277	CANCELLED
15	F9517	WEST HOLLYWOOD	WEHO BIKESHARE IMPLEMENTATION AND INTEROPERABILITY PROJECT	LTF	BIKE		510					-	510	CANCELLED
TOTAL						\$ 26,419	\$ 8,174	\$ 10	\$ 1,969	\$ -	\$ 2,139	\$ 11,268	\$ 18,771	

TOTAL DEOBLIGATION RECOMMENDATION BY MODE	
REGIONAL SURFACE TRANSPORTATION IMPROVEMENTS (RSTI)	\$ 8,149
SIGNAL SYNCHRONIZATION & BUS SPEED IMPROVEMENTS (SS)	388
BICYCLE IMPROVEMENTS (BIKE)	4,170
PEDESTRIAN IMPROVEMENTS (PED)	4,787
TRANSPORTATION DEMAND MANGEMENT	1,277
TOTAL	\$ 18,771

Background/Discussion of Each Recommendation

A. Recertify

The \$133.2 million in existing FY 2017-18 Board approved commitments and programmed through previous Countywide Call processes are shown in Attachment A. The action is required to insure that funding continues in FY 2017-18 for those on-going projects for which Metro previously committed funding.

B. Deobligate

Attachment B shows the \$18.8 million of previously approved Countywide Calls funding that is being recommended for deobligation. This includes approximately \$2.4 million in project downscopes, \$10.2 million in cancelled projects, and \$6.2 million in project savings. In light of the State's negative fund estimates for the 2016 State Transportation Improvement Program (STIP), staff is recommending folding these deobligated funds back into the same modal category from which they came from in the 2015 Call.

C. Program

Program funds made available from the 2013, 2014, and 2015 Deobligation to the three previously approved County of Los Angeles Signal Call projects. Through the 2013 Deobligation process, the Board approved prioritizing the 2013 and future deobligations to restore the full grant dollars previously awarded to these projects before reprogramming the deobligated dollars to future Call projects to fund new projects. The three County of Los Angeles Signal Call projects are:

- 1) San Gabriel Valley Traffic Signal Corridors Projects (#F3308) for FY 2017-18, \$100,000; FY 2018-19, \$472,000; FY 2019-20, \$3,430,000; FY 2020-21, \$11,647,296;
- 2) Gateway Cities Traffic Signal Corridors Phase VI Project (#F3309) for FY 2017-18, \$543,000; FY 2018-19, \$2,740,000; FY 2019-20, \$1,250,000; FY 2020-21, \$5,986,372;
- 3) South Bay Traffic Signal Corridors Project (#F3310) for FY 2017-18, \$62,000; FY 2018-19, \$1,414,000; FY 2019-20, \$4,931,000; FY 2020-21, \$1,876,458.

Program funds released from the City of Los Angeles per the November 2007 Board direction on the Proposition 1B funding to the three previously approved Signal Call projects. The three projects are as follow:

- 1) City of Palmdale - North County Traffic Forum ITS Expansion (#F1300) for FY 2017-18, \$220,000; FY2018-19, \$1,500,000 and FY 2019-20, \$1,669,000;
- 2) County of Los Angeles - Gateway Cities Forum Traffic Signal (#F1312) for FY 2017-18, \$100,000; FY 2018-19, \$1,110,000; FY 2019-20, \$1,702,000 and FY 2020-21, \$2,182,000;
- 3) County of Los Angeles - San Gabriel Valley Forum Traffic Signal (#F1321) for FY 2017-18, \$96,000; FY 2018-19, \$736,000; FY 2019-20, \$1,065,000 and FY 2020-21, \$2,232,000.

This will make the funding whole for these projects and we will continue to manage them on a cash flow basis.

D. Authorize

Projects receiving their first year of funding are required to execute FAs or LOAs with Metro. This recommendation will authorize the CEO or his designee to negotiate and execute any agreements with the project sponsors, based on the project sponsors showing that the projects have met the Project Readiness Criteria.

E. Project Scope Change

1. The City of Los Angeles Boyle Heights Chavez Ave Streetscape Pedestrian Improvements (#F3643) was programed through the 2009 Call. As approved, the project is located in the community of Boyle Heights on East Cesar Chavez Av, between Warren St and Evergreen Av. The project will conduct 1.3 miles of pedestrian enhancements by installing sidewalk replacements, 26 curb extensions, enhanced pedestrian crossings, coordinated site furniture, landscaping, 135 street trees and tree wells with gates, 43 benches, eight news rack corrals, 101 trash receptacles, and 312 pedestrian lights. Funds are requested for construction costs. Project management/administration costs for this project must not exceed 10% of the total project cost. Curb ramps, pedestrian crossings, bike corrals, trash receptacles and benches proposed in the original scope have now been fully or partially implemented through other City efforts. The City is requesting to change the project scope to eliminate duplicate efforts. The City is now proposing to conduct 0.8 miles of pedestrian enhancements on East Cesar Chavez Av, between Britannia Street St and Evergreen Av by installing sidewalk replacements, 6 curb extensions, 108 street trees and tree wells, and 12 pedestrian lights and 12 pedestrian lights upgrade. Funds are requested for both design and construction costs. Design and project management/administration costs for this project must not exceed 10% of the total project cost. Staff has evaluated the proposed change in scope and found that they are consistent with the intent of the original scope of work. Metro will maintain its funding commitment of \$2,787,500 and the City will maintain its local match commitment of \$2,439,389 (46.67%) and be responsible for any project cost increase.
2. The City of Long Beach Daisy Corridor and 6th Street Bike Boulevard (#F3518) was programed through the 2009 Call. As approved, the project is located along two corridors in the City of Long Beach: along 11 street segments called the "Daisy Corridor" from 70th Street to the north and Broadway to the south, and one street segment called the "6th Street Corridor" from Junipero Ave to the west and Bellflower Boulevard to the east. The project will include 12 miles of enhancements including 24 traffic circles, 350 signs and markings, 2 traffic signals, 3 signal modifications, 2 curb extensions, 1 short bike lane segment, and 1 short bike path segment. The City is requesting to revise the project scope reflecting reduced project limits to the Daisy Corridor only as the City has identified alternative funding sources to fully fund the 6th Street Corridor portion of the project. The City is now proposing to implement 9 miles of enhancements including 18 traffic circles, 300

signs and markings, 2 traffic signals, 3 signal modifications, 1 curb extension, and 1 short bike lane segment. Funds are requested for construction costs only. Staff has evaluated the proposed change in scope and found that they are consistent with the intent of the original scope of work as the complete originally approved project is being delivered. Metro will maintain its funding commitment of \$1,115,243 and the City will increase its local match commitment from \$1,540,097 to \$3,738,608 to cover all project cost increases.

3. The City of South Gate Firestone Boulevard Capacity Improvements (F3124) was programmed through the 2009 Call. As approved, the project would increase the number of lanes from four to six on Firestone Blvd. from Alameda St. to Annetta Ave. The project would also provide raised/landscaped medians, sidewalks, bike shelters and bus pullouts without any right-of-way acquisitions. With the City securing additional funding from other sources to construct the entire limits of this project, the City is requesting to change the scope of work for the construction phase of this project by reducing the project limits on Firestone Blvd. from Alameda St. to California. Staff has evaluated the proposed changes in the scope of work and found that they are consistent with the intent of the original scope of work and will result in the same or enhanced project benefits. The revised project scope of work will reduce Metro Call funds from \$9,423,792 to \$7,081,263 and the City corresponding local match commitment (35.98%) from \$5,296,283 to \$3,964,226. The revised total project cost of \$11,045,489 will result in a cost saving of \$2,342,529 which is recommended for deobligation. In addition, the City is committed to cover any future project cost overruns, if occurs.
4. The City of West Hollywood Melrose Avenue Complete Street Project (#F9601) was programmed through the 2015 Call. As approved, the project is located along Melrose Avenue from La Cienega Boulevard to San Vicente Boulevard. It was downscoped by \$3,836,591 and will fund pedestrian enhancements by widening sidewalks, removing obstructions from the walkways, adding ADA compliant curb ramps, pedestrian lighting, benches, trash receptacles, wayfinding signage, bus shelters, bicycle racks, public art and shade trees. The City has identified other funding sources to fund wayfinding signage, public art and street furniture including benches, trash receptacles, bus shelters and bicycle racks, and is requesting to apply the cost savings to fund pedestrian enhancements that were eliminated in the original downscoping at the award of the 2015 Call cycle. The City is now proposing to fund pedestrian enhancements along Melrose Avenue from East City Limit at Croft Avenue to San Vicente Boulevard by widening sidewalks, adding curb extensions and ADA curb ramps, pedestrian lighting, Class III Bike routes, landscaping, shade trees and reconfiguration of the intersection of Melrose Ave/La Cienega to shorten crossing distances and improve traffic signal operations. Staff has evaluated the proposed change in scope and found that they are consistent with the intent of the original scope of work. Metro will maintain its funding commitment of \$3,141,480 and the City will maintain its local match commitment of \$785,371 (20%) and be responsible for any project cost increase.

F. Reallocate

The City of Glendale requested to cancel the Call grant originally programmed to #F9624 – Glendale Train Station 1st/Last Mile Regional Improvements Project, and to reallocate the funds to the Glendale CNG Fueling and Maintenance Facility Project (#F3432) for FY 2017-18. Therefore, \$1,556,438 will be cancelled and reallocated. The Call grant along with the full amount of the City's local match of \$711,100 will be used to award the construction contract for the Glendale CNG Fueling and Maintenance Facility Project. The City of Glendale concurs with the recommendations.

G. Receive and File

1. During the 2001 Countywide Call Recertification, Deobligation and Extension, the Board authorized the administrative extension of projects based on the following reasons:
 - 1) Project delay due to an unforeseen and extraordinary circumstance beyond the control of project sponsor (federal or state delay, legal challenge, Act of God);
 - 2) Project delay due to Metro action that results in a change in project scope, schedule or sponsorship that is mutually agreed; and
 - 3) Project is contractually obligated, however, a time extension is needed to complete construction that is already underway (capital projects only).
2. Based on the above criteria, extensions for the ~~55~~ 56 projects shown in Attachment D are being granted.

Since the March 2016 Metro TAC approval of the Proposed Revised Call Lapsing Policy, several project sponsors have informed staff that their projects will not be able to be completed within the one-time, 20-month extension. Through the 2016 Call Recertification and Deobligation process, Board delegated authority to reprogram currently programmed Call funds to a later year (latest to FY 2020-21), at project sponsor(s)' own risk. For City of LA – Alameda Street Downtown LA: Goods Movement, Phase I Project (#F5207) and City of LA – Alameda Street Widening – North Olympic Boulevard to I-10 Freeway (#F9207), project funds are reprogrammed to FY 2018-19 and beyond pending Metro West Santa Ana Branch Transit Corridor's Locally Preferred Alternative. Due to the nature of this reprogramming, Metro will not be assigning any risk to the project sponsor for the availability of the Call funding in the later years of the 2015 Call cycle.

Reprograms for the 24 projects shown in Attachment E are being granted.

Reason for Extensions:

1. Project delay due to an unforeseen and extraordinary circumstance beyond the control of the project sponsor (federal or statedelay, legal challenge, Act of God, etc.);
2. Project delay due to Metro action that results in a change in project scope, schedule, or sponsorship that is mutually agreed and
3. Project is contractually obligated, however, a time extension is needed to complete construction that is already underway (capital projects only).



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
FY 2016-17 CALL FOR PROJECTS EXTENSION LIST
AS OF JUNE 30, 2017
(\$000)**

PROJ ID#	AGENCY	PROJECT TITLE	FUNDING SOURCE	LAPSING PROG YR(S)	TOTAL PROG \$	TOTAL EXP/OBLIG/A LLOC \$	AMOUNT SUBJECT TO LAPSE	REC'D EXT MONTHS	REASON FOR EXT #1, 2 OR 3	NEW REVISED LAPSE DATE
F3507	BALDWIN PARK	SOUTH BALDWIN PARK COMMUTER BIKEWAY PROJECT	LTF	2014 2015	\$ 484	\$ -	\$ 484	20	3	2/28/2019
F7414	BALDWIN PARK	CLEAN FUEL BUSES FOR THE BALDWIN PARK TRANSIT SERVICE	CMAQ	2015	1,150	-	330	12	1	6/30/2018
F3313	BURBANK	BURBANK-GLENDALE TRAFFIC SYSTEM COORDINATION	PC25	2015	1,019	366	653	20	3	2/28/2019
F3509	BURBANK	BURBAK CHANNEL BIKEWAY REGIONAL GAP CLOSURE	CMAQ	2015	2,721	254	2,467	12	1	6/30/2018
F1204	CALTRANS	118 FREEWAY WESTBOUND OFF-RAMP AT TAMPA AVE	PC25	2010 2011 2012 2013	683	-	683	20	3	2/28/2019
F3175	CULVER CITY	CULVER BOULEVARD REALIGNMENT PROJECT	PC25	2014 2015	2,856	-	2,856	20	1	2/28/2019
F3318	CULVER CITY	TRAFFIC MONITORING AND SURVEILLANCE SYSTEM GAP CLOSURE	PC25	2015	2,438	648	1,790	20	3	2/28/2019
F5114	DOWNEY	TELEGRAPH ROAD TRAFFIC THROUGHPUT AND SAFETY ENHANCEMENT	RSTP	2015	2,787	-	419	12	1	6/30/2018
F3125	EL MONTE	RAMONA CORRIDOR TRANSIT CENTER ACCESS PROJECT	CMAQ	2014 2015	7,651	1,121	6,530	12	1	6/30/2018
F5125	EL MONTE	RAMONA BOULEVARD & VALLEY BOULEVARD INTERSECTION IMPROVEMENT	PC25	2015 2016	1,568	-	96	24	1	6/30/2019
F7405	GARDENA	PURCHASE OF ALTERNATIVE FUEL REPLACEMENT BUSES	CMAQ	2015	2,145	-	2,145	12	1	6/30/2018
F5101	HAWTHORNE	EL SEGUNDO BOULEVARD IMPROVEMENT PROJECT	PC25	2015 2016	3,849	233	262	24	1	6/30/2019
MR314.01	I-5 CONSORTIUM CITIES JPA	I-5 PRE CONSTRUCTION MITIGATION FINAL PHASE	MR	2014	14,168	13,846	322	20	3	2/28/2019
F5100	INDUSTRY	SR 57/60 CONFLUENCE, GRAND AVENUE AT GOLDEN SPRINGS DRIVE	PC25	2015 2016	6,728	-	838	24	1	6/30/2019
F1106	INGLEWOOD	LA BREA AVE. INTERSECTION IMPROVEMENTS	PC25	2009	1,082	962	105	20	3	2/28/2019
F5803	LANCASTER	AVENUE I CORRIDOR IMPROVEMENTS, 20TH ST W TO 10TH ST W	LTF	2015	372	8	364	12	1	6/30/2018
F3112	LAWNDALE	INGLEWOOD AVE CORRIDOR WIDENING PROJECT	PC25	2014 2015	1,314	76	1,238	20	1	2/28/2019
F1528	LONG BEACH	SAN GABRIEL RIVER BIKE PATH GAP CLOSURE AT WILLOW STREET	CMAQ	2012	783	92	691	12	1	6/30/2018
F1649	LONG BEACH	WILLOW STREET PEDESTRIAN IMPROVEMENT PROJECT	CMAQ	2012	2,180	374	1,806	12	1	6/30/2018
F7117	LONG BEACH	REDONDO AND ANAHEIM INTERSECTION IMPROVEMENTS	PC25	2015	742	17	725	20	1	2/28/2019

Reason for Extensions:

1. Project delay due to an unforeseen and extraordinary circumstance beyond the control of the project sponsor (federal or statedelay, legal challenge, Act of God, etc.);
2. Project delay due to Metro action that results in a change in project scope, schedule, or sponsorship that is mutually agreed and
3. Project is contractually obligated, however, a time extension is needed to complete construction that is already underway (capital projects only).



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
FY 2016-17 CALL FOR PROJECTS EXTENSION LIST
AS OF JUNE 30, 2017
(\$000)**

PROJ ID#	AGENCY	PROJECT TITLE	FUNDING SOURCE	LAPSING PROG YR(S)	TOTAL PROG \$	TOTAL EXP/OBLIG/A LLOC \$	AMOUNT SUBJECT TO LAPSE	REC'D EXT MONTHS	REASON FOR EXT #1, 2 OR 3	NEW REVISED LAPSE DATE
F7313	LONG BEACH	LONG BEACH'S METRO BLUE LINE SIGNAL PRIORITIZATION	PC25	2015	993	169	824	12	1	6/30/2018
8086	LA CITY	NORTH SPRING STREET BRIDGE WIDENING AND REHABILITATION	RSTP	2008	9,098	3,245	5,853	12	3	6/30/2018
F1609	LA CITY	MAIN STREET BUS STOP AND PEDESTRIAN IMPROVEMENTS	CMAQ	2013	658	130	528	12	1	6/30/2018
F1612	LA CITY	CENTURY CITY URBAN DESIGN AND PEDESTRIAN CONNECTION PLAN	CMAQ	2009 2011	1,605	-	1,605	12	1	6/30/2018
F1615	LA CITY	EASTSIDE LIGHT RAIL PEDESTRIAN LINKAGE	CMAQ	2009 2010	2,392	320	2,072	12	1	6/30/2018
F1630	LA CITY	WASHINGTON BLVD TRANSIT ENHANCEMENTS	RSTP	2011	1,671	286	1,385	12	1	6/30/2018
F1708	LA CITY	HOLLYWOOD INTEGRATED MODAL INFORMATION SYSTEM	CMAQ	2009 2010 2011	1,682	274	1,408	12	1	6/30/2018
F3146	LA CITY	HIGHLAND AVENUE WIDENING- ODIN STREET TO FRANKLIN AVENUE	CMAQ	2014 2015	3,773	-	3,773	12	1	6/30/2018
F3314	LA CITY	INTELLIGENT TRANSPORTATION SYSTEM (ITS) COMMUNICATION SYSTEM	CMAQ	2013 2014 2015	4,394	-	4,394	12	1	6/30/2018
F3514	LA CITY	EXPOSITION-WEST BIKEWAY-NORTHVALE PROJECT (LRTP PROGRAM)	CMAQ	2014 2015	4,416	1,732	2,684	12	1	6/30/2018
F3631	LA CITY	WESTLAKE MACARTHUR PARK PEDESTRIAN IMPROVEMENT PROJECT	CMAQ	2014 2015	1,339	268	1,071	12	1	6/30/2018
F3632	LA CITY	WESTERN AVE BUS STOP & PEDESTRIAN IMPROVEMENT PROJECT	CMAQ	2013 2014	1,178	236	942	12	1	6/30/2018
F3640	LA CITY	LANI - EVERGREEN PARK STREET ENHANCEMENT PROJECT	CMAQ	2013 2014 2015	844	-	844	12	1	6/30/2018
F3653	LA CITY	PASADENA AVE PED CONNECTION TO GOLD LINE HERITAGE SQ STATION	CMAQ	2014 2015	2,053	200	1,853	12	1	6/30/2018
<u>F3726</u>	<u>LA CITY</u>	<u>FIRST AND LAST MILE TRANSIT CONNECTIVITY OPTIONS</u>	<u>CMAQ</u>	<u>2012</u> <u>2013</u> <u>2014</u>	<u>580</u>	<u>88</u>	<u>492</u>	<u>12</u>	<u>1</u>	<u>6/30/2018</u>
F5121	LA CITY	BALBOA BOULEVARD WIDENING AT DEVONSHIRE STREET	RSTP	2015	1,208	-	109	12	1	6/30/2018
F5519	LA CITY	BICYCLE FRIENDLY STREETS (BFS)	CMAQ	2015	586	-	387	12	1	6/30/2018
F1617	LA CITY	HOLLYWOOD PEDESTRIAN/TRANSIT CROSSROADS PHASE II	RSTP	2010 2012	619	-	619	12	1	6/30/2018
F3311	LA COUNTY	INFORMATION EXCHANGE NETWORK PHASE III	CMAQ	2013 2014 2015	2,391	1,411	980	12	1	6/30/2018
F5111	LA COUNTY	COLIMA ROAD - CITY OF WHITTIER LIMITS TO FULLERTON ROAD	CMAQ	2015	4,423	-	4,423	12	1	6/30/2018

Reason for Extensions:

1. Project delay due to an unforeseen and extraordinary circumstance beyond the control of the project sponsor (federal or statedelay, legal challenge, Act of God, etc.);
2. Project delay due to Metro action that results in a change in project scope, schedule, or sponsorship that is mutually agreed and
3. Project is contractually obligated, however, a time extension is needed to complete construction that is already underway (capital projects only).



LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
FY 2016-17 CALL FOR PROJECTS EXTENSION LIST
AS OF JUNE 30, 2017
(\$000)

PROJ ID#	AGENCY	PROJECT TITLE	FUNDING SOURCE	LAPSING PROG YR(S)	TOTAL PROG \$	TOTAL EXP/OBLIG/A LLOC \$	AMOUNT SUBJECT TO LAPSE	REC'D EXT MONTHS	REASON FOR EXT #1, 2 OR 3	NEW REVISED LAPSE DATE
F5115	LA COUNTY	AVENUE L ROADWAY WIDENING PROJECT	RSTP	2015	4,797	-	4,797	12	1	6/30/2018
F3139	MANHATTAN BEACH	SEPULVEDA BOULEVARD BRIDGE WIDENING PROJECT	RSTP	2012 2013 2014	6,813	1,440	5,373	12	1	6/30/2018
F7400	MONTEREY PARK	CLEAN FUEL BUS REPLACEMENTS	LTF	2015 2016	1,230	274	956	24	1	6/30/2019
F3107	PALMDALE	AVENUE S WIDENING PHASE II	PC25	2015	6,614	3,570	3,044	20	3	2/28/2019
F3301	PASADENA	METRO GOLD LINE AT-GRADE CROSSING MOBILITY ENHANCEMENTS	CMAQ	2015	1,356	-	1,356	12	1	6/30/2018
F3302	PASADENA	INTELLIGENT TRANSPORTATION SYSTEM (ITS) PHASE III	PC25	2014 2015	4,325	281	4,044	20	3	2/28/2019
F7422	PASADENA	PASADENA REPLACEMENT AND ADDED CAPACITY OF CLEAN FUEL BUSES	CMAQ	2015	1,056	-	742	12	1	6/30/2018
F1165	PORT OF LONG BEACH	I-710/GERALD DESMOND BRIDGE GATEWAY (DESMOND REPLACEMENT)	PC25	2013	17,306	13,921	3,385	20	3	2/28/2019
F3503	PORT OF LONG BEACH	LONG BEACH SOUTH WATERFRONT BIKE PATH GAP CLOSURE	CMAQ	2013 2014 2015	708	-	708	12	1	6/30/2018
F3428	REDONDO BEACH	REDONDO BEACH INTERMODAL TRANSIT CENTER	CMAQ	2013 2014	1,200	-	1,200	12	1	6/30/2018
F1168	SANTA CLARITA	VIA PRINCESSA EXTENSION- GOLDEN VALLEY ROAD TO RAINBOW GLEN	PC25	2015	11,577	-	11,577	20	1	2/28/2019
F3300	SANTA CLARITA	ITS PHASE IV INTERCONNECT GAP CLOSURE AND SIGNAL SYNCH	PC25	2015	3,032	445	2,587	20	3	2/28/2019
F7404	SANTA CLARITA	VISTA CANYON REGIONAL TRANSIT CENTER	PC10	2015	2,809	90	2,719	12	1	6/30/2018
F3505	SANTA MONICA	BIKE NETWORK LINKAGES TO EXPOSITION LIGHT RAIL	CMAQ	2013 2014 2015	2,057	-	2,057	12	1	6/30/2018
F3312	TORRANCE	CITY OF TORRANCE ITS & TRAFFIC IMPROVEMENTS	PC25	2015	967	529	438	20	3	2/28/2019
F3807	WHITTIER	GREENWAY TRAIL DIRECTIONAL SIGNAGE & SCENIC BEAUTIFICATION	LTF	2015	555	470	85	20	3	2/28/2019
TOTAL					\$ 168,445	\$ 47,288	\$ 105,626			
					\$ 169,025	\$ 47,376	\$ 106,118			



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
2017-18 CALL FOR PROJECTS REPROGRAMMING RECOMMENDATION
(\$000)**

Reprogrammed Years are listed in Bold and Italic

PROJ	AGENCY	PROJECT TITLE	DOLLARS PROGRAMMED AND FISCAL YEAR										FUND SOURCE
			2013 & Prior	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	
F3317	CULVER CITY	CULVER CITY BUS SIGNAL PRIORITY	\$ 774	\$ 1,227								\$ 2,001	PC 25
								<i>\$ 2,001</i>				<i>\$ 2,001</i>	
F3306	GARDENA	GARDENA MUNICIPAL BUS		\$ 650								\$ 650	PC 25
								<i>\$ 650</i>				<i>\$ 650</i>	
F3137	INDUSTRY	SR-57/SR-60 CONFLUENCE PROJECT: WESTBOUND SLIP ON-RAMP		\$ 2,800								\$ 2,800	PC 25
								<i>\$ 2,800</i>				<i>\$ 2,800</i>	
F3128	INGLEWOOD	CENTURY BOULEVARD MOBILITY IMPROVEMENT PROJECT	\$ 264	\$ 1,539								\$ 1,803	PC 25
								<i>\$ 1,803</i>				<i>\$ 1,803</i>	
F1305	LA CITY	ATCS CENTRAL CITY EAST	\$ 2,500									\$ 2,500	PC 25
								<i>\$ 2,500</i>				<i>\$ 2,500</i>	
F1307	LA CITY	ATCS CENTRAL BUSINESS DISTRICT	\$ 6,000									\$ 6,000	PC 25
								<i>\$ 6,000</i>				<i>\$ 6,000</i>	
F1345	LA CITY	ATCS LOS ANGELES	\$ 2,200									\$ 2,200	PC 25
								<i>\$ 2,200</i>				<i>\$ 2,200</i>	
F3144	LA CITY	FOOTHILL BOULEVARD AND SIERRA HIGHWAY INTERSECTION IMPROVEMENT			\$ 801							\$ 801	PC 25
							<i>\$ 801</i>					<i>\$ 801</i>	
F3630	LA CITY	MAIN STREET PEDESTRIAN ENHANCEMENTS					\$ 827					\$ 827	CMAQ
								<i>\$ 165</i>		<i>\$ 662</i>		<i>\$ 827</i>	
F3643	LA CITY	BOYLE HEIGHTS CHAVEZ AVE STREETSCAPE/PEDESTRIAN IMPROV.					\$ 2,788					\$ 2,788	CMAQ
								<i>\$ 140</i>		<i>\$ 2,648</i>		<i>\$ 2,788</i>	



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
2017-18 CALL FOR PROJECTS REPROGRAMMING RECOMMENDATION
(\$000)**

Reprogrammed Years are listed in Bold and Italic

PROJ	AGENCY	PROJECT TITLE	DOLLARS PROGRAMMED AND FISCAL YEAR										FUND SOURCE
			2013 & Prior	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	
F3647	LA CITY	MENLO AVE/MLK VERMONT EXPO STATION PEDESTRIAN IMPROVEMENT					\$ 1,687					\$ 1,687	CMAQ
							<i>\$ 337</i>		<i>\$ 1,350</i>			<i>\$ 1,687</i>	
F5207	LA CITY	ALAMEDA STREET DOWNTOWN LA: GOODS MOVEMENT, PHASE I					\$ 3,767					\$ 3,767	RSTP
									<i>\$ 3,767</i>			<i>\$ 3,767</i>	
F5624	LA CITY	WASHINGTON BL PEDESTRIAN TRANSIT ACCESS - PHASE II				\$ 178		\$ 1,314				\$ 1,492	CMAQ
							<i>\$ 178</i>		<i>\$ 1,314</i>			<i>\$ 1,492</i>	
F5821	LA CITY	VALENCIA TRIANGLE LANDSCAPE BEAUTIFICATION PLAZA					\$ 553					\$ 553	CMAQ
								<i>\$ 110</i>		<i>\$ 443</i>		<i>\$ 553</i>	
F7125	LA CITY	SHERMAN WAY WIDENING BETWEEN WHITSETT AVE TO HOLLYWOOD FWY					\$ 142	\$ 62	\$ 770			\$ 974	RSTP
								<i>\$ 142</i>	<i>\$ 62</i>	<i>\$ 770</i>		<i>\$ 974</i>	
F9123	LA CITY	COMPLETE STREETS PROJECT FOR COLORADO BLVD IN EAGLE ROCK							\$ 347		\$ 1,407	\$ 1,754	CMAQ
							<i>\$ 347</i>		<i>\$ 1,407</i>			<i>\$ 1,754</i>	
F9207	LA CITY	ALAMEDA ST WIDENING - NORTH OLYMPIC BLVD TO I-10 FREEWAY					\$ 988	\$ 171	\$ 8,466			\$ 9,625	CMAQ
									<i>\$ 988</i>	<i>\$ 171</i>	<i>\$ 8,466</i>	<i>\$ 9,625</i>	
6281	LA COUNTY	NORTH COUNTY/ANTELOPE VALLEY TRAFFIC IMPROVEMENT	\$ 278									\$ 278	PC 25
								<i>\$ 278</i>				<i>\$ 278</i>	
F1344	LA COUNTY	SLAUSON AVENUE CORRIDOR IMPROVEMENTS	\$ 1,388									\$ 1,388	PC 25
								<i>\$ 1,388</i>				<i>\$ 1,388</i>	
F3136	LA COUNTY	THE OLD ROAD FROM MAGIC MOUNTAIN PARKWAY TO TURNBERRY LANE		\$ 6,735	\$ 8,266							\$ 15,001	RSTP
											<i>\$ 15,001</i>	<i>\$ 15,001</i>	



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
2017-18 CALL FOR PROJECTS REPROGRAMMING RECOMMENDATION
(\$000)**

Reprogrammed Years are listed in Bold and Italic

PROJ	AGENCY	PROJECT TITLE	DOLLARS PROGRAMMED AND FISCAL YEAR										FUND SOURCE
			2013 & Prior	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	
F7115	LA COUNTY	THE OLD ROAD-LAKE HUGHES RD TO HILLCREST PKWY PHASE I					\$ 2,746	\$ 1,261	\$ 1,592			\$ 5,599	PC 25
									\$ 2,746	\$ 1,261	\$ 1,592	\$ 5,599	
F3518	LONG BEACH	DAISY CORRIDOR AND 6TH STREET BIKE BLVD	\$ 108		\$ 1,007							\$ 1,115	LTF
								\$ 1,115				\$ 1,115	
F9130	LONG BEACH	ARTESIA - GREAT BOULEVARD								\$ 3,421	\$ 1,279	\$ 4,700	PC 25
								\$ 3,421	\$ 1,279			\$ 4,700	
6347	SOUTH GATE	I-710/FIRESTONE BLVD. INTERCHANGE RECONSTRUCTION	\$ 1,677									\$ 1,677	PC 25
								\$ 954	\$ 80	\$ 560	\$ 83	\$ 1,677	
ORIGINAL PROGRAMMED AMOUNT			\$ 15,189	\$ 12,951	\$ 10,074	\$ 178	\$ 8,743	\$ 2,637	\$ 2,709	\$ 3,421	\$ 2,686	\$ 71,980	
REPROGRAMMED AMOUNT			\$ -	\$ -	\$ -	\$ -	\$ 1,663	\$ 25,667	\$ 8,238	\$ 6,344	\$ 16,676	\$ 71,980	
DELTA			15,189	12,951	10,074	178	7,080	(23,030)	(5,529)	(2,923)	(13,990)	-	



RESULTS OF MAY 2017 TECHNICAL ADVISORY COMMITTEE (TAC) APPEALS PROCESS
Sorted by Agency and Number of Years Extended

	PROJ ID#	AGENCY	PROJECT TITLE	PROG YR(S)	TOTAL METRO PROG \$ (000')	METRO AMOUNT SUBJECT TO LAPSE (000')	EXT YRS	EXT#	REASON FOR APPEAL	TAC Recommendation	Metro Response
1	F3507	BALDWIN PARK	SOUTH BALDWIN PARK COMMUTER BIKEWAY PROJECT	2014 2015	\$ 484	\$ 484	1	2	Did not meet Lapsing Policy	20-month extension to February 28, 2019 to complete the project.	Concur with TAC recommendation.
2	F3175	CULVER CITY	CULVER BOULEVARD REALIGNMENT PROJECT	2014 2015	\$ 2,856	\$ 2,856	1	2	Did not meet Lapsing Policy	20-month extension to February 28, 2019. Project Sponsor must provide an update at the May 2018 TAC meeting providing a schedule to complete design and award construction contract no later than February 2019.	Concur with TAC recommendation.
3	F3112	LAWNDALE	INGLEWOOD AVE CORRIDOR WIDENING PROJECT	2014 2015	\$ 2,172	\$ 1,239	1	2	Did not meet Lapsing Policy	20-month extension to February 28, 2019. Project Sponsor must provide an update at the May 2018 TAC meeting providing a schedule to complete design and award construction contract no later than February 2019.	Concur with TAC recommendation.
4	F1708	LA CITY	HOLLYWOOD INTEGRATED MODAL INFORMATION SYSTEM	2009 2010 2011	\$ 1,682	\$ 1,408	6	6	Did not meet Lapsing Policy	One-year extension to June 30, 2018 to obligate funds.	Concur with TAC recommendation.
5	F3514	LA CITY	EXPOSITION-WEST BIKEWAY-NORTHVALE PROJECT (LRTP PROGRAM)	2013 2014 2015	\$ 4,416	\$ 2,684	2	2	Did not meet Lapsing Policy	One-year extension to June 30, 2018. Project Sponsor must provide an update at the May 2018 TAC meeting and demonstrate that the project is fully funded through construction, either with an Active Transportation Program (ATP) Cycle 4 application, or other funding plan. If the Project Sponsor is unable to do so, the project may be recommended for deobligation.	Concur with TAC recommendation.
6	F3632	LA CITY	WESTERN AVE BUS STOP & PEDESTRIAN IMPROVEMENT PROJECT	2012 2013 2014	\$ 1,178	\$ 942	2	3	Did not meet Lapsing Policy	One-year extension to June 30, 2018.	Concur with TAC recommendation.
7	F3146	LA CITY	HIGHLAND AVENUE WIDENING-ODIN STREET TO FRANKLIN AVENUE	2014 2015	\$ 3,773	\$ 3,773	1	2	Did not meet Lapsing Policy	One-year extension to June 30, 2018.	Concur with TAC recommendation.
8	F3139	MANHATTAN BEACH	SEPULVEDA BOULEVARD BRIDGE WIDENING PROJECT	2012 2013 2014	\$ 6,813	\$ 5,373	2	3	Did not meet Lapsing Policy	One-year extension to June 30, 2018.	Concur with TAC recommendation.
9	F1168	SANTA CLARITA	VIA PRINCESSA EXTENSION-GOLDEN VALLEY ROAD TO RAINBOW GLEN	2015	\$ 11,577	\$ 11,577	0	1	Did not meet Lapsing Policy	20-month extension to February 28, 2019. Project Sponsor must provide an update at the May 2018 TAC meeting providing a schedule to complete design and award construction contract no later than February 2019.	Concur with TAC recommendation.



Board Report

File #: 2017-0311, **File Type:** Budget

Agenda Number: 20.

CONSTRUCTION COMMITTEE JUNE 15, 2017

SUBJECT: WESTSIDE PURPLE LINE EXTENSION PROJECT - SECTION 3

ACTION: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE CONTRACT MODIFICATION

RECOMMENDATION

AUTHORIZE the CEO to execute Contract Modification No. 62 to Contract No. PS43502000 with WSP USA Inc. (WSP), formerly Parsons Brinckerhoff (PB) Inc., to provide continued engineering support services during solicitation processes and design support services during construction for Section 3 of the Westside Purple Line Extension Project, from July 2017 through June 2019, in an amount not-to-exceed \$15,028,122, increasing the total contract value from \$199,649,637 to \$214,677,759.

ISSUE

On February 24, 2016, the Metro Board of Directors approved to advance the project delivery of the Westside Purple Line Extension Project - Section 3 (Century City to Westwood/VA Hospital) as part of a larger package of the Shovel Ready Program of Projects which included the advancement of other Measure R Projects. The “shovel-ready” state allowed Metro to take advantage of opportunities to advance into the Project design and construction stage to expedite project delivery.

Advancement of the Section 3 Project allowed WSP to provide continued advanced preliminary engineering, design for advanced relocation of utilities, engineering support services during solicitation processes, and design support services during construction, as staff continued to pursue local, state and federal funding sources to move the Project forward. Included within the scope of services, was a commitment by WSP to meet or exceed Disadvantage Business Enterprise (DBE) goals and adopt a formal mentor protégé program as part of enhanced business participation. Current DBE participation on the contract value of \$199,649,637 is 25.57%, which exceeds the goal by 9.2%. WSP’s current commitment for Contract Modification No. 62, Section 3 Project scope of work is 32.90%.

DISCUSSION

The advancement of the Section 3 Project preliminary engineering and the design for advanced relocation of utilities, coupled with the passage of Measure M, have allowed staff to solicit the procurements of two construction contracts - (1) Advanced Utility Relocations and (2) Tunnels. Staff has also solicited the procurement of a Construction Management Support Services (CMSS) consultant, and plans to solicit the procurement of the Stations, Trackwork, and Systems design-build contract later this year.

On April 28, 2017, the CEO requested approval, from the Federal Transit Administration (FTA), to enter into the Engineering Phase, which is one of the initial steps towards receiving a Full Funding Grant Agreement (FFGA). Prior to receiving the FFGA, the CEO will be requesting approval, from the FTA, of a Letter of No Prejudice (LONP), which will allow advancing the award of the Tunnels Contract.

The recommended Board action will provide sufficient contract funding for WSP services through June 2019, when the Project is anticipated to be transitioning into the final design and construction stage of the Stations, Trackwork, and Systems design-build contract. Approval of the recommended action will enable the designs to be advanced to a sufficient level for procurement and to provide critical design support throughout the procurement process and start of design build work for the selected contractors. Retaining the services of this consultant will also provide continuity and consistency in design.

An important lesson learned on previous projects including section 1 of the Purple Line is that an upfront investment in design pays dividends in fewer change orders and issues with unknown utilities. It also enables Metro to address stakeholder concerns prior to award of a construction contract when it is more difficult to implement changes. The recommended action is consistent with that lesson learned.

Future work will be funded on a 12 to 24 month basis, depending on the phase of the project. This approach will result in more accurate budgeting in future years, while providing better control over the management of consultant services.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an impact on established safety standards for Metro's construction projects.

FINANCIAL IMPACT

Funds are included in the FY18 budget under Project 865523 Westside Purple Line Extension Project - Section 3, in Cost Center 8510 (Construction Project Management), and Account No. 50316 (Professional and Technical Services). Since this is a multi-year project, the Chief Program Management Officer and the Project Manager will be responsible for budgeting costs in future years.

Impact to Budget

The sources of funds for the recommended action are Measure R 35% and Measure M 35%. The approved FY18 budget is designated for the Westside Purple Line Extension Project - Section 3 and does not have an impact to operations funding sources. These funds were assumed in the Long Range Transportation Plan for the Westside Purple Line Extension Project. This Project is not eligible for Propositions A and C funding due to the proposed tunneling element of the Project. No other funds were considered.

ALTERNATIVES CONSIDERED

The Board could decide to not approve the recommended Contract Modification. This is not recommended because the extension of WSP's services will provide the continuity of engineering services involving qualified and knowledgeable personnel that are part of the Westside Purple Line Extension Integrated Project Management Office.

NEXT STEPS

After Board approval and execution of the Contract Modification, staff will direct the consultant to continue providing engineering support services during solicitation processes and design support services during construction of the Westside Purple Line Extension Project - Section 3.

ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - Contract Modification/Change Order Log

Attachment C - DBE Participation

Prepared by:

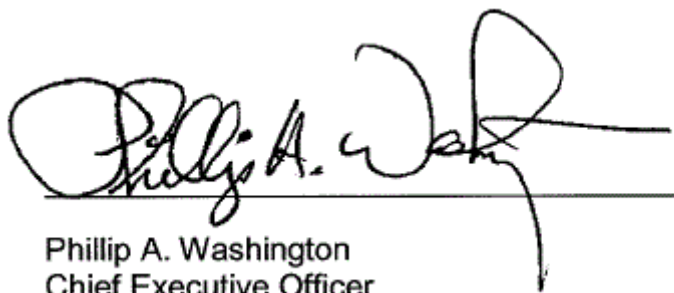
Michael McKenna, Executive Officer, Program Management (213) 312-3132

Rick Wilson, Deputy Executive Officer, Program Control (213) 312-3108

Reviewed by:

Rick Clarke, Chief Program Management Officer, (213) 922-7557

Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

WESTSIDE PURPLE LINE EXTENSION PROJECT – SECTION 3
PS43502000

1.	Contract Number: PS43502000			
2.	Contractor: WSP USA Inc.			
3.	Mod. Work Description: Continue engineering support services during solicitation processes and final design, and design support services during construction for Section 3 of the Westside Purple Line Extension Project			
4.	Contract Work Description: Engineering support services during solicitation processes and final design, and design support services during construction			
5.	The following data is current as of: May 3, 2017			
6.	Contract Completion Status		Financial Status	
	Contract Awarded:	6/8/07	Contract Award Amount:	\$3,654,061
	Notice to Proceed (NTP):	7/16/07	Total of Modifications Approved:	\$195,995,576
	Original Complete Date:	9/16/08	Pending Modifications (including this action):	\$15,028,122
	Current Est. Complete Date:	6/30/19	Current Contract Value (with this action):	\$214,677,759
7.	Contract Administrator: Zachary Munoz		Telephone Number: (213) 922-7301	
8.	Project Manager: Michael McKenna		Telephone Number: (213) 312-3132	

A. Procurement Background

This Board Action is to approve Contract Modification No. 62 to be issued in support of Westside Purple Line Extension Section 3 Project to provide continued engineering support services during solicitation processes, and design support services during construction.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a cost plus fixed fee.

The solicitation for Contract No. PS43502000 was an Architectural and Engineering (qualification-based) procurement process. This method requires that each of the responding firm's qualifications be evaluated, and the most qualified firm selected, followed by analysis of the selected firm's cost proposal and successful negotiations to enter in to the contract with the selected firm.

In June 2007, the Board authorized award of this Contract to Parsons Brinkerhoff WSP (recent name change to WSP USA Inc. (WSP)) for alternative analysis with three options for: Draft EIS/EIR/Advanced Conceptual Engineering, Final EIS/EIR, and Preliminary

Engineering in the amount of \$3,654,061 for the entire Westside Purple Line Project. In January 2009, the Board exercised the option for Draft EIS/EIR/Advanced Conceptual Engineering. In October 2010, the Board exercised options for Final EIS/EIR and Preliminary Engineering. In October 2011, the Board authorized WSP to enter the next phase of work, design support during construction. In April 2014, the Board authorized WSP to provide continued design support during construction for Section 1. In February 2015, the Board authorized WSP to provide continued advanced preliminary engineering, design for advanced relocation of utilities, engineering support service during the design-build solicitation process, and design support services during construction for Section 2. In December 2015, the Board authorized WSP to provide continued design support services during construction for Section 1. In February 2016, the Board authorized WSP to provide advanced preliminary engineering, design for advanced relocation of utility, engineering support services during solicitation processes, and design support services during construction for Section 3. In October 2016, the Board authorized WSP to provide continued design support services during construction for Section 2.

Refer to Attachment B for modifications issued to date and proposed modifications pending authorization.

B. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon fact-finding, clarifications of the scope of work, quantitative technical analysis, independent cost estimate, and cost/price analysis. This Contract Modification includes provisional indirect rates subject to adjustment upon completion of MASD's final year-end incurred cost audit. The difference between the negotiated price and Metro's ICE is the result of the required level of effort, and corresponding rates that were determined to be required after a technical evaluation of the Contractor's proposal was performed approved by Metro's Project Management.

Proposal Amount	Metro ICE	Negotiated Amount
\$16,930,000	\$15,647,000	\$15,028,122

CONTRACT MODIFICATION/CHANGE ORDER LOG
WESTSIDE PURPLE LINE EXTENSION PROJECT/
PS43502000

Mod. No.	Description	Status	Date Executed	Amount
1-8	Alternatives Analysis	Approved	9/1/09	\$27,515
9-20	Advanced Conceptual Engineering/Draft EIS/ EIR	Approved	9/16/10	\$18,590,710
21	Preliminary Engineering	Approved	11/1/10	\$43,632,826
22	Final EIS/EIR	Approved	11/1/10	\$4,761,377
23	Close-out Alternative Analysis	Approved	1/12/11	(\$31,300)
24	Additional Fault investigation – Transect 2	Approved	5/6/11	\$480,250
25	Risk Management Support	Approved	2/28/11	\$208,417
26	Additional Fault Investigation Transec 4	Approved	7/5/11	\$453,264
27	Century City Refined Ridership Forecast	Approved	4/13/11	\$22,985
28	Additional Rail Simulation Study	Approved	4/20/11	\$72,646
29	Revisions to Safety Security Manual	Approved	3/31/11	\$0
30	Oil Well Investigation Program	Approved	5/4/11	\$107,165
31	Additional Fault Investigation Transec 3	Approved	6/2/11	\$411,949
32	Additional Fault Investigation Transec 7	Approved	7/5/11	\$310,754
33	Historic Property Survey	Approved	5/13/11	\$46,442
34	Additional Fault Investigation Transec 6	Approved	8/9/11	\$102,054
35	Additional Station Entrance Report	Approved	8/9/11	\$119,074
36	Advance Preliminary Engineering	Approved	11/1/11	\$16,996,740
37	LADWP Utility Relocations	Approved	4/27/12	\$84,659
38	Title V1 Service Equity	Approved	4/17/12	\$51,185
39	Design Services for Exploratory Shaft	Approved	7/5/12	\$0
40	Period of Performance Extension	Approved	10/31/12	\$0
41	Bid Period Services	Approved	3/25/13	\$18,816,205
42	CANCELLED	Approved		
43	Advance Preliminary Engineering Section 2	Approved	4/22/13	\$8,836,296
44	Additional Borings	Approved	8/16/13	\$439,292
45	Additional Capacity Study	Approved	10/9/13	\$24,030
46	Ventilation Study	Approved	12/18/13	\$470,527
47	Additional AUR Work	Approved	2/11/14	\$493,563
48	Design Support Services During Construction FY 15	Approved	5/30/14	\$11,657,611
49	Period of Performance Extension	Approved	6/26/14	\$0
50	New Starts Support Section 2	Approved	8/11/14	\$357,054
51	Section 2 Station Area Planning	Approved	8/21/14	\$126,728
52	Continued Advanced Preliminary Engineering Section 2	Approved	3/30/15	\$20,820,226
53	Utility Engineer Support	Approved	12/23/14	\$358,798
54	Period of Performance Extension	Approved	12/23/14	\$0
55	Period of Performance Extension	Approved	12/23/14	\$0
56	Period of Performance Extension	Approved	12/24/14	\$0
57	Design Support Services During Construction Section 1	Approved	12/21/15	\$9,282,218

Mod. No.	Description	Status	Date	Amount
58	Advanced Preliminary Engineering, Design for Advanced Relocation of Utilities, Engineering Support Section 3	Approved	3/24/16	\$28,085,033
59	Period of Performance Extension	Approved	7/13/16	\$0
60	Design Support Services During Construction Section 2	Approved	11/29/16	\$9,551,411
61	Design Support Services During Construction Section 1	Negotiating		
62	Engineering Support Services During Solicitation and Design Support Services During Construction Section 3	Pending		\$15,028,122
63	Re-Applying Demand Model for WPLE	Approved	4/6/17	\$227,872
	Modification Total:			\$195,995,576
	Original Contract:			\$3,654,061
	Total:			\$214,677,759

DEOD SUMMARY

**WESTSIDE PURPLE LINE EXTENSION PROJECT – SECTION 3
PS43502000**

A. Small Business Participation

Parsons Brinckerhoff (recent name change to WSP USA Inc. (WSP)) made a 23.41% Disadvantaged Business Enterprise Anticipated Level of Participation (DALP) commitment. The project is 86% complete and the current DBE participation is 25.57%. WSP is currently exceeding their DBE commitment.

Small Business Commitment	DBE 23.41%	Small Business Participation	DBE 25.57%
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	DBE Subcontractors	Ethnicity	% Committed	Current Participation¹
1.	Intueor Consulting	Subcontinent Asian American	2.28%	2.02%
2.	Kal Krishnan Consulting	Subcontinent Asian American	5.58%	0.99%
3.	LKG-CMC	Caucasian Female	7.27%	0.78%
4.	Terry A. Hayes	African American Female	2.99%	0.24%
5.	Wagner Engineering	Caucasian Female	5.29%	0.70%
6.	A Cone Zone (2nd Tier w/AMEC)	Caucasian Female	Added	0.83%
7.	Abadi–Abadi Consulting (ABCS)	Caucasian Female	Added	0.99%
8.	Advanced Technologies Lab. (2nd Tier w/AMEC)	Hispanic American	Added	0.16%
9.	Advantec Consulting Engineering	Asian Pacific American	Added	1.49%
10.	AP Engineering (2nd Tier w/AMEC)	Asian Pacific American	Added	0.16%

11.	Atlas Teknology Group	Asian Pacific American Female	Added	0.06%
12.	Atwell Consulting	Caucasian Female	Added	0.26%
13.	Barrio Planners	Hispanic American	Added	1.34%
14.	Capitol Government Contract Specialists	Hispanic American	Added	0.06%
15.	C&L Drilling (2nd Tier w/AMEC)	Caucasian Female	Added	0.65%
16.	Cogstone Resource	Caucasian Female	Added	0.17%
17.	Del Richardson	African American	Added	0.20%
18.	Diana Ho Consulting	Asian Pacific American	Added	0.01%
19.	Diaz Consultants	Hispanic American	Added	0.32%
20.	D'Leon Consulting	Hispanic American	Added	2.92%
21.	E.W. Moon	African American	Added	0.53%
22.	FPA Underground	Asian Pacific American Female	Added	0.64%
23.	Green Clean Water (2nd Tier w/AMEC)	Asian Pacific American	Added	0.48%
24.	IDC Consulting	Asian Pacific American Female	Added	0.44%
25.	J M Diaz, Inc.	Hispanic American	Added	0.09%
26.	JAD & Associates	Asian Pacific American	Added	0.82%
27.	Jet Drilling (2nd Tier w/AMEC)	Hispanic American	Added	0.19%
28.	Lenax Construction	Caucasian Female	Added	0.83%
29.	Martini Drilling (2nd Tier w/AMEC)	Hispanic American	Added	0.92%

30.	Melendrez (RELM)	Caucasian Female	Added	0.01%
31.	Parikh Consultants (2nd Tier w/AMEC)	Asian Pacific American	Added	0.74%
32.	RAW International	African American	Added	2.41%
33.	Roy Willis	African American Female	Added	0.01%
34.	Safe Utility Exposure	Caucasian Female	Added	1.26%
35.	Safeprobe	Asian Pacific American	Added	0.63%
36.	Universal Reproductions Inc.	Caucasian Female	Added	0.40%
37.	V&A Inc.	Hispanic American	Added	0.38%
38.	W2 Design	Asian Pacific American	Added	0.44%
39.	Wiltec (2 nd Tier 2/Fehr & Peers)	African American	Added	0.00%
Total			23.41%	25.57%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Living Wage Service Contract Worker Retention Policy

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.



Board Report

File #: 2017-0343, File Type: Project

Agenda Number: 22.

CONSTRUCTION COMMITTEE JUNE 15, 2017

SUBJECT: GOLD LINE FOOTHILL EXTENSION PHASE 2A REDUCTION IN LIFE OF PROJECT BUDGET

ACTION: REDUCE LIFE OF PROJECT BUDGET

RECOMMENDATION

CONSIDER:

- A. APPROVING a Life-of-Project (LOP) budget decrease in the amount of \$26,967,000 for the Gold Line Foothill Extension Phase 2A Project and update the LOP to \$714,033,000; and
- B. AUTHORIZE allocation of \$26,967,000 of available non-federal funds from Gold Line Foothill Extension Phase 2A to Gold Line Foothill Extension Phase 2B

ISSUE

Decrease Life-of-Project Budget

The Foothill Extension Phase 2A Funding Agreement allowed for acceleration of the Gold Line Foothill Extension Phase 2A project relative to the schedule identified in the Long Range Transportation Plan (LRTP) and the charging of \$27.4 million of interest due to that acceleration. The \$27.4 million of interest was included in the Life of Project Budget, raising the total Foothill Extension Phase 2A Life of Project Budget to \$741million.

Subsequent to increasing the Foothill Extension Phase 2A LOP by \$27.4 million to pay for interest due to acceleration, construction of the project proceeded on a non-accelerated schedule relative to the Long Range Transportation Plan, and only minimal interest attributable to acceleration was required, leaving a substantial portion of the \$27.4 million interest budget in place.

This Board Action requests reducing the Foothill Extension Phase 2A LOP by the amount left over and unused for interest due to acceleration and allocating those funds to the next Phase (2B) of the Foothill Extension from Azusa to Claremont.

BACKGROUND

At the March, 2011 Los Angeles Metro Regular Board Meeting the Board approved allocation of \$27.4 million for the Gold Line Foothill Extension Phase 2A Project to cover the estimated interest cost to meet a forecasted accelerated schedule.

Construction of the project was completed in September 2015 and opened for service in March 2016 in line with the original schedule that was identified in the LRTP. Actual acceleration of the project was minimized, and therefore only a small portion of the estimated \$27.4M in interest cost was needed. The interest attributable to acceleration actually required amounted to \$433,000, leaving a balance in the Metro Holdback budget for such acceleration costs of \$26,967,000.

Given these funds are left over and not used for the Phase 2A project, staff is requesting a reduction in the LOP for the Gold Line Foothill Phase 2A Project in the amount of \$26,967,000. Further, staff is requesting authorization for these available non-federal funds to remain in the Gold Line Foothill Extension Corridor and be allocated for use on the Gold Line Foothill Extension Phase 2B from Azusa to Claremont. These actions are consistent with Metro's funding agreement with the Gold Line Foothill Authority for Phase 2A.

FINANCIAL IMPACT

The previous acceleration related interest to be charged to the project budget of \$27.4 million will be decreased by \$26.967 as the actual acceleration related interest to be charged to the project is \$0.433 million. The LOP and interest allocation reduction will be applied to cost center 8510, project 860200, Metro Gold Line Foothill Extension, account 51121 Interest Bond Interest Expense.

Upon Board Approval, the decrease in LOP and savings from Phase 2A will be designated as Measure R 35% and/or Proposition C or other available non-federal funding to be applied to the LOP of the Phase 2B Foothill Extension project from Azusa to Claremont.

ALTERNATIVES CONSIDERED

The Board may decide to leave the funds in the Gold Line Foothill Phase 2A project. This option is not recommended given that doing so would be inconsistent with Metro's funding agreement for Phase 2A and the savings from the interest allocation in Phase 2A can be applied to the funding needs of the Phase 2B Foothill Extension to Claremont.

NEXT STEPS

Upon Board approval, staff will modify the Agreement to reflect the changes set forth in this board report. Funds in the amount of \$26,967,000 will be reallocated from Gold Line Foothill Extension Phase 2A and applied to Gold Line Foothill Extension Phase 2B.

ATTACHMENTS

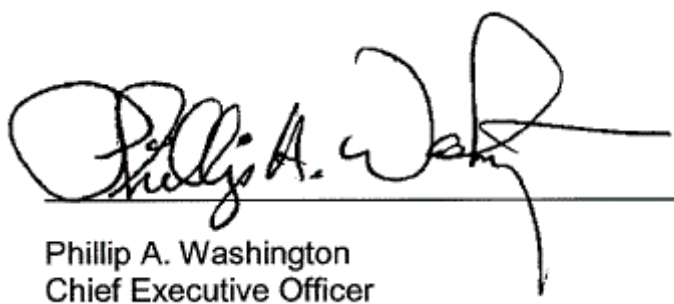
Attachment A - Cashflow Table

Prepared by:

Rick Meade, Executive Officer (213) 922-7917

Reviewed by:

Richard Clarke, Chief Program Management Officer (213) 922-7557



Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

**Metro Gold Line Foothill Extension
Expenditure Plan - Cost and Cash Flow Budget
(in millions of dollars escalated to the year of expenditure) Preliminary 05-10-17**

Uses of Funds	ACTUAL EXPENDED							FY 17	FY 18	FY 19	FY 20	FY 21	Total
	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16						
Subtotal Construction Authority costs		26.0060	81.1420	117.8470	168.4280	123.6392	44.2178	9.1920	0.0000	0.0000	0.0000	0.0000	570.4720
MTA Project Costs													
Subtotal MTA Project Costs	2.6280	18.7209	29.3248	-13.0050	6.5212	39.0059	42.7571	15.3821	1.8000	0.4330	0.0000	0.0000	143.5680
Total Project Cost	2.6280	44.7269	110.4668	104.8420	174.9492	162.6451	86.9749	24.5741	1.8000	0.4330	0.0000	0.0000	714.0400

*Cashflow subject to change after Fiscal Year '17 Expenditures are finalized



Board Report

File #: 2017-0036, File Type: Appointment

Agenda Number: 24.

REVISED
SYSTEMS SAFETY, SECURITY AND OPERATIONS COMMITTEE
JUNE 15, 2017

SUBJECT: MEMBERSHIP ON METRO SERVICE COUNCILS**ACTION: APPROVE NOMINEES FOR APPOINTMENT TO METRO SERVICE COUNCILS****RECOMMENDATION**

APPROVE nominees for membership on Metro's Service Council as listed in the board report.

ISSUE

Each Metro Service Council is comprised of nine Representatives that serve a term of three years; terms are staggered so that the terms of three of each Council's nine members expire annually on June 30. Incumbent Representatives can serve additional terms if re-nominated by the nominating authority and confirmed by the Metro Board.

DISCUSSION

Metro seeks to appoint Service Council members reflective of the demographics of each respective region. The 2010 Census demographics of each of the Service Council regions are as follows:

% Sector Total	Hispanic	White	Asian	Black	Other	Total Pop
San Gabriel Valley	50.0%	19.9%	24.9%	3.3%	2.0%	100.0%
San Fernando Valley	41.0%	42.0%	10.7%	3.4%	2.9%	100.0%
South Bay	42.5%	23.8%	12.0%	18.3%	3.4%	100.0%
Westside/Central	43.5%	30.7%	13.0%	10.0%	2.8%	100.0%
Gateway Cities	63.9%	16.7%	8.5%	8.6%	2.3%	100.0%
Service Area Total	48.5%	26.8%	14.0%	8.2%	2.6%	100.0%

The individuals listed below have been nominated to serve by the Councils' appointing authorities. If approved by the Board, these appointments will serve a three-year term or the remainder of the seat's three-year term as indicated. A brief listing of qualifications for the new nominees is provided along with the nomination letters from the nominating authorities:

Gateway Cities

The demographic makeup of the Gateway Cities Service Council with the appointment of these nominees will consist of five (5) White members and four (4) Hispanic members as self-identified by the members in terms of racial/ethnic identity. The gender breakdown of the Council will be six (6) men and three (3) women.

- A. David Armenta, Gateway Cities Service Council, Re-Appointment
Nominated by: Gateway Cities Council of Governments
Term Ending: June 30, 2020
- B. Samuel Peña, Gateway Cities Service Council, Re-Appointment
Nominated by: Gateway Cities Council of Governments
Term Ending: June 30, 2020
- C. Joseph Strapac, Gateway Cities Service Council, Re-Appointment
Nominated by: Gateway Cities Council of Governments
Term Ending: June 30, 2020

San Fernando Valley

The demographic makeup of the San Fernando Valley Service Council with the appointment of these nominees will consist of three (3) White members, five (5) Hispanic members, and one (1) Asian member as self-identified by the members in terms of racial/ethnic identity. The gender breakdown of the Council will be seven (7) men and two (2) women.

- D. Yvette Lopez-Ledesma, San Fernando Valley Service Council, Re-Appointment
Nominated by: Los Angeles Mayor Eric Garcetti
Term Ending: June 30, 2020
- E. Max Reyes, San Fernando Valley Service Council, Re-Appointment
Nominated by: Los Angeles Mayor Eric Garcetti
Term Ending: June 30, 2020
- F. Robert Gonzales, San Fernando Valley Service Council, New Appointment
Nominated by: The City of Burbank
Term Ending: June 30, 2020

San Gabriel Valley

The demographic makeup of the San Gabriel Valley Service Council with the appointment of these nominees will consist of four(4) White members, one (1) Hispanic member, one (1) Native American member, and one (1) Asian member as self-identified by the members in terms of racial/ethnic identity. The gender breakdown of the Council will be six (6) men and one (1) woman.

- G. John Harrington, San Gabriel Valley Service Council, Re-Appointment
Nominated by: The City of San Marino
Term Ending: June 30, 2020

- H. John Harabedian, San Gabriel Valley Service Council, Re-Appointment
Nominated by: The City of La Cañada Flintridge
Term Ending: June 30, 2020

Note: There is one Service Council representative whose current term of service has not yet been renewed and whose term will expire on July 1, 2017; this representative may continue to sit with their Service Council and participate in discussions but will not be eligible to vote on any matter before their Service Council. There is also one other remaining vacancy due to the sudden passing of the Councilmember. The appointing authority for these seats has requested additional time to submit both nominations. Staff will continue to work with the nominating authority to fill these positions.

South Bay

The demographic makeup of the South Bay Service Council with the appointment of these nominees will consist of three (3) ~~two (2)~~ Hispanic members, three (3) White members, one (1) Asian member, and two (2) Black members as self-identified by the members in terms of racial/ethnic identity. The gender breakdown of the Council will be seven (7) ~~six (6)~~ men and two (2) women.

- ~~I.J.~~ Ralph Franklin, South Bay Service Council, Re-Appointment
Nominated by: South Bay Council of Governments
Term Ending: June 30, 2020
- ~~J.K.~~ Luis Duran, South Bay Service Council, New Appointment
Nominated by: South Bay Council of Governments
Term Ending: June 30, 2020
- ~~K.L.~~ Meighan Langlois, South Bay Valley Service Council, New Appointment
Nominated by: South Bay Council of Governments
Term Ending: June 30, 2020
- L. Dan Medina, South Bay Valley Service Council, New Appointment
Nominated by: South Bay Council of Governments
Term Ending: June 30, 2018

~~Note: a member of the South Bay Service Council recently resigned, leaving one (1) vacancy on this Council. The appointing authority is currently recruiting and reviewing candidates and will submit their nomination for approval in the near future.~~

Westside Central

The demographic makeup of the Westside Central Service Council with the appointment of this nominee will consist of three (3) White members, four (4) Hispanic members, and two (2) Black members as self-identified by the members in terms of racial/ethnic identity. The gender breakdown of the Council will be six (6) men and three (3) women.

- M. Malcolm Harris, Westside Central Service Council, New Appointment
Nominated by: Los Angeles Mayor Eric Garcetti
Term Ending: June 30, 2020
- N. Jeremiah LaRose, Westside Central Service Council, Re-Appointment
Nominated by: Third District Supervisor Sheila Kuehl
Term Ending: June 30, 2020
- O. David Feinberg, Westside Central Service Council, Re-Appointment
Nominated by: Westside Cities Council of Governments
Term Ending: June 30, 2020

DETERMINATION OF SAFETY IMPACT

Maintaining the full complement of representatives on each Service Council to represent each service area is important. As each representative is to be a regular user of public transit, and each Council is composed of people from diverse areas and backgrounds, this enables each Council to better understand the needs of transit consumers including the need for safe operation of transit service and safe location of bus stops.

FINANCIAL IMPACT

There is no financial impact imparted by approving the recommended action.

ALTERNATIVES CONSIDERED

The alternative to approving this appointment would be for these nominees to not be approved for appointment. To do so would result in reduced effectiveness of the Service Council, as it would increase the difficulty of obtaining the quorum necessary to allow the Service Council to formulate and submit their recommendations to the Board. It would also result in the Service Council having less diverse representation of their service area.

NEXT STEPS

Staff will continue to monitor the major contributors to the quality of bus service from the customer's perspective, and share that information with the Service Councils for use in their work to plan, implement, and improve bus service in their areas and the customer experience using our bus service.

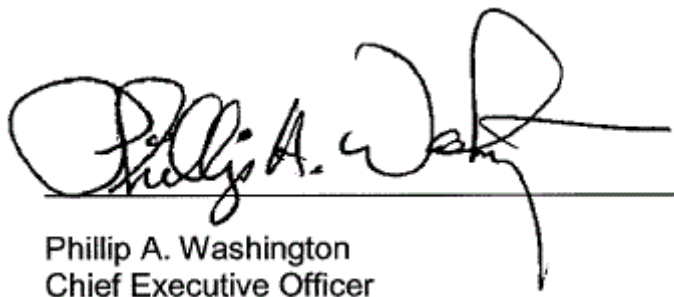
ATTACHMENTS

Attachment A - New Appointee Biographies and Listing of Qualifications

Attachment B - Appointing Authority Nomination Letters

Prepared by: Conan Cheung, Executive Officer of Transit Operations, (213) 418-3034

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108



Phillip A. Washington
Chief Executive Officer

NEW APPOINTEES BIOGRAPHIES AND QUALIFICATIONS

Robert Gonzales, Nominee for San Fernando Valley Service Council



Mayor Robert Gonzales was first elected to the San Fernando City Council in November 2012, and was recently elected to his third term in March 2017. A longtime resident of the Valley, Mr. Gonzales is a graduate of Sylmar High School. He was the first in his family to attend and successfully complete college, and holds an Associate of Science degree in Criminal Justice from Mission College, Bachelor of Science degree in Criminal Justice from California State University of Los Angeles, and a Master of Science in Leadership and Management from the University of La Verne, College of Business and Public Management. In addition to dedicating

his time to the San Fernando City Council, Robert represents San Fernando while serving with other agencies including the President-elect of the Independent Cities Association's Executive Board of Directors and the Los Angeles County Library Commission.

Luis Duran, Nominee for South Bay Service Council



Luis Duran was born, raised and attended school in Hawthorne and currently lives in Hermosa Beach. Mr. Duran is currently employed at the Los Angeles County Department of Regional Planning as a land use planner. In that role, he has worked with Metro on multiple land use projects, including two Transit Oriented District (TOD) Specific Plans. Prior to working for the County, he worked as an environmental consultant for a small environmental firm in Santa Fe Springs, CA. Mr. Duran holds a B.A. in Environmental Studies from the University of California, Santa Barbara and an M.S. in Environmental Studies from California State University,

Fullerton. He is a member of the Los Angeles Chapter of the American Planning Association (APA). A committed transit user, Luis rides the LADOT Commuter Express to work and frequently uses Metro for work-related meetings and to destinations such as Dodger Stadium.

Meighan Langlois, Nominee for South Bay Service Council



Meighan Langlois has served in a variety of leadership positions within the Los Angeles World Airports (LAWA) organization where she has contributed to airport operations, contracts and administration, risk management, and ground transportation management. Her current management role as LAWA's Rideshare Program Administrator promotes transportation solutions for LAWA employees promoting environmentally focused alternatives including transit, vanpool, carpool and cycling at one of the busiest airports in the world. Prior to joining LAWA, Ms. Langlois worked in marketing of LADWP's Conservation Programs. Ms. Langlois

holds an MBA from California State University; she was recently awarded a Certificate in Sustainability "earned with distinction" from UCLA Extension. Meighan is a lifelong South Bay native and lives with her husband and children near LAX.

Dan Medina, Nominee for South Bay Service Council



Dan Medina is a long-time resident of Gardena and was first elected to the City Council in November 2008. He is currently serving his third term and is currently serving as Mayor Pro Tem. Mr. Medina has also held numerous other leadership positions in numerous local service organizations, including the Gardena Valley Lions Club; the Carson-Gardena-Dominguez Rotary Club; the Kiwanis Club of Gardena Valley; the Gardena Valley Democratic Club and the Gardena-based Mexican-American Democratic Club. Mayor Pro Tem Medina serves as the City of Gardena's delegate to the South Bay Cities Council of Governments, and serves as the District 28 representative

representing the cities of Hawthorne, Inglewood, and Gardena on the Southern California Association of Governments. He also serves on the South Bay Regional Public Communications Authority; the West Basin Water Association; and the Greater Los Angeles County Vector Control District Board of Trustees.



Malcolm Harris, Nominee for Westside Central Service Council



Malcolm Harris was born in Oakland and graduated from Santa Monica High School. He is a resident of the City of Los Angeles and has worked as the Director of Programs & Organizing for T.R.U.S.T. South LA in 2014. Prior to joining T.R.U.S.T. South LA, he worked as an organizer with the Service Employee's International Union International, where he ran strategic union organizing campaigns throughout the US and Canada, Program Coordinator for the AmASSI Center of South Los Angeles, and as Education Coordinator with the Community Coalition's South Central Youth Empowered thru Action. Mr. Harris holds a Bachelor's degree in Sociology with an emphasis in African-Area

Studies from UCLA, and serves as a National Coordinator for National Black Men's Xchange, a human rights, educational, anti-oppression and advocacy organization.

APPOINTING AUTHORITY NOMINATION LETTERS

SOUTHEAST LOS ANGELES COUNTY	
	
	GATEWAY CITIES COUNCIL OF GOVERNMENTS
Antesita	
Avalon	
Bell	
Bellflower	
East Gardena	
Compton	April 12, 2017
Commerce	
Cypress	Mr. Phillip A. Washington, CEO
Cudahy	Los Angeles County Metropolitan Transportation Authority
Downey	One Gateway Plaza
Hawthorne Gardens	Los Angeles, CA 90012
Huntington Park	Dear Mr. Washington:
Industry	Nominees for the Metro Gateway Cities Service Council
La Habra Heights	Acting in its capacity as the convening coalition of the Metro Gateway Cities Service Council, the Board of Directors of the Gateway Cities Council of Governments has nominated three Service Council members to fill seats expiring on June 30, 2016.
La Mirada	
Lakewood	At its regularly scheduled meeting of April 5, 2017, the Gateway Cities Council of Governments Board of Directors nominated Council Member David Armenta, and Community Members Sam Pena and Joseph Strapac, to fill the seats expiring June 30, 2017. A copy of the nominee's application is enclosed.
Long Beach	
Lyewood	
Maywood	We would appreciate your assistance in agendizing the nominations for confirmation by the MTA Board of Directors at the next regularly scheduled meeting.
Monterey Park	
Norwalk	Sincerely,
Paramount	
Pico Rivera	Richard Powers
Santa Fe Springs	Executive Director
Signal Hill	Enclosure
South Gate	Cc: Ms. Dolores Ramos, Sr. Administrative Analyst, Regional Service Councils
Temecula	
Whittier	
County of Los Angeles	
Port of Long Beach	

CITY OF BURBANK
OFFICE OF THE CITY MANAGER

March 14, 2017

Mr. Gary Spivack
Deputy Executive Officer
Metro San Fernando Valley Service Council
One Gateway Plaza, MS-99-7-2
Los Angeles, CA 90012

Re: Nomination of San Fernando Mayor Robert Gonzales to the Metro San Fernando Valley Service Council

Dear Mr. Spivack:

In your letter dated February 29, 2016, you indicated that San Fernando Councilmember Lopez submitted his resignation creating an immediate vacancy. In order to maintain representation to this important oversight group, the three East Cluster cities of Burbank, Glendale, and San Fernando respectfully request that Mayor Robert Gonzales be nominated to serve as a member of the Service Council to complete the remainder of Councilmember Lopez's July 1, 2014 – June 30, 2017 term and the July 1, 2017 – June 30, 2020 term. This nomination has been discussed with officials from the three East Cluster cities, who agree that Mayor Gonzales is the appropriate person to join Burbank Mayor Jess Talamantes in representing the East Cluster cities on the Service Council.

Thank you for considering our request to nominate Mayor Gonzales to the San Fernando Valley Service Council. Should you require any further information, please feel free to contact David Kriske in our Community Development Department at 818.238.5269 or via email at dkriske@burbankca.gov.

Sincerely,



Ron Davis
City Manager
City of Burbank

Cc: Scott Ochoa, City Manager – City of Glendale
Nick Kimball, Interim City Manager – City of San Fernando



ERIC GARCETTI
MAYOR

May 25, 2017

Mr. Gary Spivack
Deputy Executive Officer
One Gateway Plaza
Los Angeles, CA 90012

Mr. Spivack,

I hereby reappoint Ms. Yvette Lopez-Ledesma to serve as a representative on the San Fernando Valley Council, for a three year term ending on June 30, 2020.

I certify that in my opinion Ms. Yvette Lopez-Ledesma is qualified for the work that will devolve upon her, and that I make this appointment solely in the interest of the City.

Please let me know if you need any additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "E. Garcetti", with a stylized flourish at the end.

ERIC GARCETTI
Mayor

EG:cl



ERIC GARCETTI
MAYOR

May 25, 2017

Mr. Gary Spivack
Deputy Executive Officer
One Gateway Plaza
Los Angeles, CA 90012

Mr. Spivack,

I hereby reappoint Mr. Max Reyes to serve as a representative on the San Fernando Valley Council, for a three year term ending on June 30, 2020.

I certify that in my opinion Mr. Reyes is qualified for the work that will devolve upon him, and that I make this appointment solely in the interest of the City.

Please let me know if you need any additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "E. Garcetti", followed by a horizontal line.

ERIC GARCETTI
Mayor

EG:cl

City of San Marino



March 26, 2014

Jon Hillmer
Regional Services Councils Director
Los Angeles County Metro
One Gateway Plaza
Los Angeles, California 90012-2952

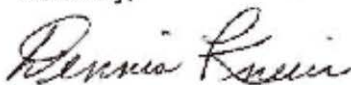
Dear Mr. Hillmer:

The City of San Marino would like to nominate Mayor John Harrington for an additional term as the San Gabriel Valley Cities Metro's Service appointee to Metro's Service Council.

Mayor Harrington has expressed his willingness to serve, he lives in the area and he has represented us well. It is my belief that the appointment of Mayor Harrington to the Service Council will provide valuable continuity that will benefit San Marino, the San Gabriel Valley and L.A. Metro.

Thank you in advance for your attention to this matter.

Sincerely,


Dennis Kneier
Mayor

cc: Sergio Gonzalez, City Manager, City of South Pasadena
Steve Preston, City Manager, City of San Gabriel
Mary Swink, City Manager, City of Alhambra

2200 Huntington Drive, San Marino, CA 91108-2691 • Phone: (626) 300-0700 Fax: (626) 300-0709



City Council
Michael T. Davitt, Mayor
Terry Walker, Mayor Pro Tem
Jonathan C. Curtis
Leonard Pieroni
David A. Spence

May 19, 2017

Mr. Gary Spivak
Deputy Executive Officer, Metro Service Councils
1 Gateway Plaza, MS 99-7-2
Los Angeles, CA 90012

Sent via email to: spivakg@metro.net

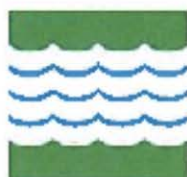
Dear Mr. Spivak:

The City of La Cañada Flintridge nominates Sierra Madre Council Member John Harabedian to be re-appointed as the San Gabriel Valley Service Sector Representative for a three-year term, from July 1, 2017 through June 30, 2020.

Sincerely,

Mark R. Alexander
City Manager

c: City Council
The Honorable John Capoccia, Mayor, City of Sierra Madre
Steve Mermell, City Manager, City of Pasadena
The Honorable Terry Tornick, Mayor, City of Pasadena
Elaine Aguilar, Interim City Manager, City of Sierra Madre
Phillip A. Washington, Chief Executive Officer
Stephanie Wiggins, Deputy Chief Executive Officer, Metro



**SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS**

20285 Western Avenue, Suite 100
Torrance, California 90501
(310) 371-7222
sbccog@southbaycities.org
www.southbaycities.org

April 28, 2017

The Honorable John Fasano, Chair
& Members of the Board
Los Angeles Metropolitan Transportation Authority
1 Gateway Plaza
Los Angeles, California 90012

Re: Nominations for the Members of the South Bay Service Council

The South Bay Service Council has been extremely successful since its inception. The dedicated people on our council have worked with Metro staff to make changes in service to improve efficiency and coordination of the transit services provided by the Metro in our sector.

The South Bay Cities Council of Governments (SBCCOG) takes its responsibility to nominate members to the council very seriously and with this letter we are submitting our nominees to fill the three seats whose terms are expiring. Recommended after receiving the approval of the SBCCOG Board of Directors at the meeting of April 27, 2017 are Ralph Franklin (Inglewood Councilman resident and current member), Meighan Langlois (LA World Airports Rideshare Coordinator) and Luis Duran (Hermosa Beach resident, LA County land use planner & transit rider). These appointments are all for 3 years.

We request that you agendaize the appointment of these representatives as soon as possible so they can be seated in July, 2017.

Please notify us when the appointments are confirmed or if you have any questions.

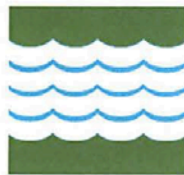
Sincerely,

Jim Osborne
SBCCOG Chair
Councilman, City of Lomita

cc: Phil Washington, CEO

LOCAL GOVERNMENTS IN ACTION

Carson El Segundo Gardena Hawthorne Hermosa Beach Inglewood Lawndale Lomita
Los Angeles Manhattan Beach Palms Palms Estates Rancho Palos Verdes Redondo Beach Rolling Hills
Rolling Hills Estates Torrance Los Angeles District #15 Los Angeles County



**SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS**

Gallagher

20285 Western Avenue, Suite 100
Torrance, California 90501
(310) 371-7222
sbccog@southbaycities.org
www.southbaycities.org

May 26, 2017

The Honorable John Fasana, Chair
& Members of the Board
Los Angeles Metropolitan Transportation Authority
1 Gateway Plaza
Los Angeles, California 90012

Receive

MAY 31 2017

Office of the CEO

Re: Nomination to Fill Vacancy for South Bay Service Council

On May 1, the South Bay Cities Council of Governments (SBCCOG) received notice from Metro South Bay Metro Service Council member John Addleman that he was resigning as of May 12, 2017.

At the May 25 SBCCOG Board of Directors' meeting, Gardena Councilman Dan Medina was nominated to fill the vacancy which has one year remaining on the term. Councilman Medina has expressed his interest in serving on the Council for a while and he is a regular transit rider.

We request that you agendize his appointment as soon as possible so he can be seated with our other new members in July, 2017.

Please notify us when his appointment is confirmed or if you have any questions.

Sincerely,

Jim Osborne

Jim Osborne
SBCCOG Chair
Councilman, City of Lawndale

cc: Phil Washington, CEO

LOCAL GOVERNMENTS IN ACTION

Carson El Segundo Gardena Hawthorne Hermosa Beach Inglewood Lawndale Lomita
Los Angeles Manhattan Beach Palos Verdes Estates Rancho Palos Verdes Redondo Beach Rolling Hills
Rolling Hills Estates Torrance Los Angeles District #15 Los Angeles County



ERIC GARCETTI
MAYOR

April 25, 2017

Mr. Gary Spivack
Deputy Executive Officer
Metro Regionals Service Councils
One Gateway Plaza MS 99-7-2
Los Angeles, CA 90012

Dear Mr. Spivack:

I hereby submit the nomination of Mr. Malcolm Harris to serve as a representative on the Westside/Central Service Council. I certify that in my opinion Mr. Harris is qualified for the work that will devolve upon him, and that I make this appointment solely in the interest of the City.

Please let me know if you need any additional information. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric Garcetti", with a stylized flourish at the end.

ERIC GARCETTI
Mayor

EG:cl



BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

821 KENNETH HAHN HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012
Tel: 213-974-3333 Fax: 213-625-7360 Sheila@bos.lacounty.gov

SHEILA KUEHL
SUPERVISOR, THIRD DISTRICT

April 19, 2017

Mr. Gary Spivack
Deputy Executive Officer
Metro Regional Service Councils
One Gateway Plaza MS 99-7-2
Los Angeles, CA 90012

Dear Mr. Spivack,

This letter serves as the recommendation to re-appoint Jeremiah LaRose to serve as the Third District representative on the Westside Central Service Council for the term of July 1, 2017 - June 30, 2020.

I am confident that Mr. LaRose's knowledge and experience will continue to serve the Westside Central Service Council well.

Please let me know if you need any additional information. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Sheila Kuehl", is written over the typed name.

SHEILA KUEHL
Supervisor, Third District

NE:jj



Date: March 30, 2017

To: Gary Spivack
Deputy Executive Officer, Metro

From: Cecilia Estolano, WSCCOG Executive Director
Winnie Fong, WSCCOG Project Director

CC: Eric Geier, Community Relations Manager, Metro
Dolores Ramos, Sr. Administrative Analyst, Metro
David Feinberg, Transit Government Relations Officer, Santa Monica Big Blue Bus

Subject: Westside Cities COG Re-Appointment to the Metro Westside/Central Service Council

On March 30, 2017, the Westside Cities Council of Governments (WSCCOG) Board re-appointed David Feinberg to another 3-year term as the WSCCOG representative to the Metro Westside/Central Service Council beginning July 1, 2017 to June 30, 2020. The WSCCOG Board voted unanimously to approve Mr. Feinberg's reappointment. Attached is his statement of interest.

Please accept this reappointment on behalf of the WSCCOG Board. Should you have any questions regarding this matter, please contact the WSCCOG Project Director Winnie Fong at winnie@elpadvisors.com or at (213) 612-4545.



Board Report

File #: 2017-0282, **File Type:** Contract

Agenda Number: 27.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE JUNE 15, 2017

SUBJECT: AUTOMATED PUBLIC TOILETS MAINTENANCE SERVICES

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a sole source firm fixed price Contract No. OP783190003367 for Automated Public Toilets Maintenance Services with Public Facilities and Services, Inc. This contract not-to-exceed amount is \$1,061,530 for the five year base period, effective July 15, 2017.

ISSUE

Under this new Contract, the contractor is required to provide technical support adjusting and/or repairing the electronic systems for the Automated Public Toilets (APT's) while inspecting and replenishing all consumables along with necessary corrective actions. These APT's are located at the Harbor Gateway and El Monte Transit Centers.

The existing contract with Public Facilities and Services, Inc. will expire on July 14, 2017. To continue providing clean, safe and operational APT's to Metro patrons, a new contract award is required effective July 15, 2017.

DISCUSSION

APT's are stationary restroom facilities that were installed in late 2012 and early 2013 at the El Monte Transit Center and Harbor Gateway for use by Metro patrons. These automated restrooms contain highly technical and specialized computer software, referred to as Programmable Logic Controllers (PLC). This specialized software provides the capability for these restrooms to automatically wash and disinfect their complete interior capsule via water sprays, hoses and ventilation fans to both air-out and dry all interior wall panels, floors and fixtures.

The technicians servicing these units must be well-trained to access, adjust and repair PLC systems via the control board located in the APT's service bay. Public Facilities and Services, Inc. is the sole service and maintenance provider for APT's within the United States and Canada, authorized by the Australian manufacturing company, Exeloo.

To avoid service interruption and continue providing the required maintenance services, a new contract award is required effective July 15, 2017.

DETERMINATION OF SAFETY IMPACT

The approval of this item will ensure providing, safe, clean and reliable APT services to Metro patrons.

FINANCIAL IMPACT

The annual contract value is \$212,306. Funds are to be allocated under cost center 3367 - Facilities Property Maintenance, account 50308, Service Contract Maintenance, under project 300014, Regional Activities. The source of funds for this procurement will come from State and local funding sources that are eligible for Bus and Rail Operating or Capital Projects. These funding sources will maximize the use of funds for these activities.

Since this is a multi-year contract, the cost center manager and the Sr. Executive Officer, Maintenance and Engineering will be accountable for budgeting the cost in future years.

Impact to Budget

The funding for this action will come from the Enterprise operating fund. No other sources of funds were considered for this activity because it supports bus operations. This activity is part of Metro facilities on-going maintenance costs.

ALTERNATIVES CONSIDERED

Staff considered providing this service through Metro in-house staff. This would require the hiring and specialized training of additional personnel certified by the manufacturer, purchase of additional equipment, vehicles, and supplies to support the expanded services. Staff's assessment indicates that this is not a cost effective option for Metro.

NEXT STEPS

Upon Board approval, staff will execute Contract No. OP783190003367 with Public Facilities and Services, Inc., effective July 15, 2017, to provide APT Maintenance Services.

Attachments


ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Brady Branstetter, DEO, Facilities Maintenance, (213) 922-6767
Lena Babayan, Sr. Director, Facilities Maintenance, (213) 922-6765

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

AUTOMATED PUBLIC TOILETS / OP783190003367

1.	Contract Number: OP783190003367	
2.	Recommended Vendor: Public Facilities and Services, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> RFP <input type="checkbox"/> IFB <input type="checkbox"/> IFB-A&E <input checked="" type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: March 30, 2017	
	B. Advertised/Publicized: N/A	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: N/A	
	E. Pre-Qualification Completed: May 4, 2017	
	F. Conflict of Interest Form Submitted to Ethics: April 18, 2017	
	G. Protest Period End Date: N/A	
5.	Solicitations Picked up/Downloaded: 0	Bids/Proposals Received: 1
6.	Contract Administrator: Rommel Hilario	Telephone Number: (213) 922-4654
7.	Project Manager: Ruben Cardenas	Telephone Number: (213) 922-5932

A. Procurement Background

This Board Action is to approve a sole source contract to Public Facilities and Services, Inc. to continue maintaining two Automated Public Toilets (APT's) located at the Harbor Gateway and El Monte Transit Centers. Under this new Contract, the contractor is required to provide technical support adjusting and/or repairing the electronic systems for the APT's while providing custodial services and installing and replenishing all consumables.

B. Evaluation

Public Facilities and Services, Inc.'s submittal was determined to be responsive. The firm was deemed responsible and qualified to perform the required services based on the requirements of the statement of work, review and approval of the pre-qualification forms by the Prequalification Department, and technical evaluation by the Project Manager.

C. Cost/Price Analysis

The recommended pricing has been determined to be fair and reasonable based on historical pricing, comparison with Metro's independent cost estimate, and technical evaluation by the Project Management Team.

BIDDER	AMOUNT	METRO ICE	AWARD AMOUNT
Public Facilities and Services, Inc.	\$1,061,530	\$999,720	\$1,061,530

D. Background on Recommended Contractor

The Automated Public Toilets (APT) are manufactured by Exeloo. Public Facilities & Services, Inc. was formed in 2005 and is the sole distributor and maintenance provider for Exeloo products in North America. APTs are commonly used by many travelers throughout Europe and Asia Pacific for their convenience and cleanliness. Exeloo APTs have anti-loitering, anti-vandalism and automatic cleaning features that create a point of difference from traditional public restrooms. As an exclusive distributor of Exeloo, Public Facilities & Services, Inc. offers a full line of related services including:

- APT and Kiosk Sales
- Site Preparation and Installation
- Service and Maintenance
- Related Mechanical Contracting Services

Public Facilities & Services, Inc. has customers in selected cities across the United States and Canada. Their main focus has been with municipalities and transportation authorities. The firm is currently under contract with Metro providing satisfactory service of two APTs located at the Harbor Gateway and El Monte Transit Centers.

DEOD SUMMARY**AUTOMATED PUBLIC TOILETS MAINTENANCE SERVICES / OP783190003367****A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) did not establish a Disadvantaged Business Enterprise (DBE) goal for this solicitation, based on the lack of subcontracting opportunities. According to Metro's Project Manager, Pacific Facilities and Services Inc. (PFS) is the sole source vendor in the United States for service and maintenance of the subject Automatic Public Toilets.

B. Living/Prevailing Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is applicable to this Contract. Metro staff will monitor and enforce the policy guidelines to ensure that applicable workers are paid at minimum, the current Living Wage rate of \$16.18 per hour (\$11.27 base + \$4.91 health benefits), including yearly increases of up to 3% of the total wage. In addition, contractors will be responsible for submitting the required reports for the Living Wage and Service Contract Worker Retention Policy and other related documentation to staff to determine overall compliance with the policy.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this Contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.



Board Report

File #: 2017-0283, File Type: Contract

Agenda Number: 28.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE JUNE 15, 2017

SUBJECT: TUNNEL WASHING SERVICES

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP778590003367 for the Metro Red/Purple Line (MRL) and Pasadena Gold Line (PGL) Tunnel Washing services with Parkwood Landscape Maintenance Inc., the lowest, responsive and responsible bidder, for a not-to-exceed amount of \$2,598,727 for the five-year contract, effective July 1, 2017; subject to resolution of protest(s), if any.

ISSUE

Under this Contract, the contractor is required to provide complete high pressure washing services throughout MRL and PGL tunnels.

To maintain safe operations and improve MRL and PGL tunnel cleanliness, a new contract award is required effective July 1, 2017.

DISCUSSION

The existing MRL heavy rail subway was opened in stages between 1993 and 2000. Since then and until 2013, the MRL twin tunnels including the Purple Line segment have not been cleaned. In 2013, a tunnel washing contract was awarded to provide complete tunnel washing services throughout MRL twin tunnels. Approximately 16 miles of the twin tunnels were cleaned; however, services were canceled following the contractor's request due to limited access and too many competing projects within the tunnel. Since the PGL Eastside Extension tunnel segment was opened in 2009, dirt and dust settlements are apparent on the internal walls, handrails, tracks, and catwalks; therefore, staff included the PGL tunnel to this scope of work to ensure providing safe and clean facilities to Metro patrons.

The entire length of the twin tunnels for the MRL is 36 miles and for the PGL is 3.4 miles, requiring pressure washing services to improve the overall conditions and cleanliness. Under this Contract, the contractor is required to provide detailed pressure washing services. The tunnel washing services include using pressurized water and degreaser solutions as necessary to remove debris and

particulates while cleaning walls, tracks, cover boards, insulators, catwalks, handrails, and the entire wall above the third rail within the stations.

Tunnel pressure washing and cleaning of trackway while removing trash and debris is necessary to maintain a safe and clean train path and mitigate potential fire hazards due to excessive grease and debris accumulation within the heavy rail confined space and next to an energized third rail.

The MRL provides heavy rail subway travel through its 16 stations and twin tunnels between downtown Los Angeles via the districts of Hollywood and mid-Wilshire to North Hollywood where it connects with the Metro Orange Line. The PGL light rail tunnel segment is located in the Boyle Heights district of Los Angeles and includes Mariachi Plaza and Soto stations.

DETERMINATION OF SAFETY IMPACT

The approval of this item will improve MRL and PGL overall safety and cleanliness conditions as well as improve the air quality within the stations in an effort to continue providing, safe, clean, quality, on-time, and reliable services to our customers and the public.

FINANCIAL IMPACT

The annual contract value is \$519,745. Subject to board approval of the FY18 budget, Funds are to be allocated under cost center 3367 - Facilities Property Maintenance, account 50308, Service Contract Maintenance, under project 300044, Rail Operations Red Line and 300055, Rail Operations Gold Line.

Since this is a multi-year contract, the cost center manager, and the Sr. Executive Officer, Maintenance and Engineering will be accountable for budgeting the cost in future years.

Impact to Budget

Funding for this action will come from the Enterprise operating fund. The source of funds will be Federal, State, and Local funds including sales tax and fares that are eligible for rail Operating projects. These funding sources will maximize fund use based on funding allocation provisions.

ALTERNATIVES CONSIDERED

Staff considered providing this service through Metro in-house personnel. This would require the hiring and training of additional personnel and the purchase of additional equipment, vehicles, and supplies to support the expanded responsibility. Staff's assessment indicates that this is not a cost-effective option for Metro.

NEXT STEPS

Upon approval, staff will execute Contract No. OP778590003367 to Parkwood Landscape Maintenance Inc., effective July 1, 2017, to provide MRL and PGL tunnel washing services.


ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Brady Branstetter, DEO, Facilities Maintenance, (213) 922-6767
Lena Babayan, Sr. Director, Facilities Maintenance, (213) 922-6765

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

DEOD SUMMARY

METRO TUNNEL WASHING SERVICES / OP778590003367

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 10% goal, inclusive of a 7% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. Parkwood Landscape, Inc. made a 10% Small Business commitment, inclusive of a 7% SBE and 3% DVBE commitment.

Small Business Goal	7% SBE 3% DVBE	Small Business Commitment	7% SBE 3% DVBE
----------------------------	---------------------------	----------------------------------	---------------------------

	SBE Subcontractors	% SBE Committed
1.	Briteworks	7.00%
	Total SBE Commitment	7.00%

	DVBE Subcontractors	% DVBE Committed
1.	IECLT, Inc.	3.00%
	Total DVBE Commitment	3.00%

B. Living/Prevailing Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.

PROCUREMENT SUMMARY

METRO TUNNEL WASHING SERVICES / OP778590003367

1.	Contract Number: OP778590003367	
2.	Recommended Vendor: Parkwood Landscape Maintenance, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> RFP <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: January 30, 2017	
	B. Advertised/Publicized: January 30, 2017	
	C. Pre-proposal/Pre-Bid Conference: February 9, 2017	
	D. Proposals/Bids Due: March 27, 2017	
	E. Pre-Qualification Completed: May 1, 2017	
	F. Conflict of Interest Form Submitted to Ethics: April 18, 2017	
	G. Protest Period End Date: June 20, 2017	
5.	Solicitations Picked up/Downloaded: 18	Bids/Proposals Received: 3
6.	Contract Administrator: Rommel Hilario	Telephone Number: (213) 922-4654
7.	Project Manager: Alberto Garcia	Telephone Number: (213) 922-6760

A. Procurement Background

In 2016, Metro staff issued IFB No. OP28589 for Metro Red/Purple Line Tunnel Washing Services and received two bids. Staff's assessment concluded the low bidder was not appropriately licensed and, therefore, non-responsive. The second bid was 13% over Metro's ICE. A market review determined that it would be in Metro's best interest to reject all bids and re-issue a new solicitation.

This Board Action is to approve contract award in support of Facilities Maintenance to provide complete high pressure washing services for the Metro Purple/Red Line (MRL) and Pasadena Gold Line (PGL) tunnels as outlined in Invitation for Bid (IFB) No. OP28589-2. Board approval of contract awards are subject to resolution of any properly submitted protest(s).

The IFB was issued as a competitive procurement in accordance with Metro's Acquisition Policy. The contract type is firm fixed unit price.

Three amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on February 10, 2017, provided pre-bid conference material including sign-in sheets, planholder's list, and prevailing and living wage information.
- Amendment No. 2, issued on March 8, 2017, extended the bid due date.
- Amendment No. 3, issued on March 15, 2017, extended the bid due date.

A pressure washing demonstration was scheduled on February 28, 2017 at Union Station from 10:00 p.m. to 12:30 a.m. The purpose of the demonstration was to provide potential bidders an opportunity to observe the vehicles and equipment that will be used to perform the tunnel washing services. A total of five firms attended the demonstration.

A total of three bids were received on March 27, 2017.

B. Evaluation of Bids

This procurement was conducted in accordance, and complies with, Metro's Acquisition Policy for a competitive sealed bid. The three bids received are listed below in alphabetical order:

1. Parkwood Landscape Maintenance, Inc.
2. South Shore Building Services, Inc.
3. Woods Maintenance, Inc.

All firms were determined to be responsive, responsible, and qualified to perform the required services based on the IFB's minimum requirements, and technical evaluation by the Project Manager.

C. Cost/Price Analysis

The recommended pricing from Parkwood Landscape Maintenance, Inc. has been determined to be fair and reasonable based upon adequate competition, comparison with Metro's independent cost estimate, and technical evaluation.

BIDDER	AMOUNT	METRO ICE	AWARD AMOUNT
Parkwood Landscape, Inc.	\$2,598,726	\$3,056,700	\$2,598,726
South Shore Building Services, Inc.	\$3,588,300		
Woods Maintenance, Inc.	\$3,747,780		

D. Background on Recommended Contractor

Parkwood Landscape Maintenance, Inc. (Parkwood), located in Van Nuys, California, has provided professional landscape and pressure washing services in the Los Angeles area for over 48 years. Parkwood currently has contracts with the City of Palmdale, City of Los Angeles, City of Moorpark, Port of Los Angeles, and the City of Ventura. The firm is also Metro's current contractor for graffiti abatement, landscape and irrigation maintenance, trash and vegetation removal services in

Regions 2 and 4. Through various contracts, Parkwood has acquired the necessary experience as required by the solicitation. Parkwood's high pressure washing experience was validated by reference checks and a technical evaluation by the Project Manager.



Board Report

File #: 2016-0741, File Type: Contract

Agenda Number: 29.

..Meeting_Body

REVISED
SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
JUNE 15, 2017

SUBJECT: P2550 LIGHT RAIL VEHICLE COMPONENT OVERHAUL

ACTION: ESTABLISH A LIFE OF PROJECT BUDGET

RECOMMENDATION

CONSIDER:

- A. ESTABLISHING a Life-Of-Project (LOP) Budget for the implementation of a Component Overhaul Program for the P2550 Light Rail Vehicle (LRV) fleet, capital project number 214001 in the amount of \$35,007,546; and
- B. AUTHORIZING the Chief Executive Officer to award a 60 month indefinite quantity/indefinite delivery Contract No. MA27585 to ORX for the overhaul of 103 Ansaldo Breda P2550 light rail vehicle powered axle assemblies for a not-to-exceed amount of \$4,952,654, subject to resolution of protest(s), if any.

ISSUE

The Original Equipment Manufacturer (OEM) establishes a timeline for vehicle maintenance and major system overhauls in order to maintain the safety and level of performance of their vehicles. The P2550 fleet is due for a major system overhaul per the OEM's and Metro engineering's recommendations.

Implementation of this program helps ensure the P2550 fleet remains in a constant State of Good Repair (SGR) by overhauling multiple systems on the vehicles including the friction brake, propulsion, doors, truck and suspension, auxiliary power, and coupler systems. Completing this scheduled overhaul on time will ensure equipment safety, performance and longevity of the cars.

DISCUSSION

The P2550 LRV fleet was placed in revenue service in March 2008 to support the opening of the Gold Line Eastside line extension. Since 2008 the fleet has accumulated over 30 million miles; an average of 600,000 miles per car. The cars have a consistent performance, and a reliable safety

record.

The Component Overhaul Program consists primarily of the removal of aged components and the replacement with overhauled components, and may be performed several times during the life of the car. The Mid-life overhaul is performed only once, at approximately 15 years. Metro staff will perform the removal, testing and reinstallation of the overhauled components. Various vendors will perform the component teardown and overhaul. This contracted work requires specialized equipment, tooling, and training; and shall meet Federal Transit Administration (FTA), Association of American Railroads (AAR), California Public Utilities Commission (CPUC) and Metro's Corporate Safety standards.

Metro's Rail Vehicle Engineering unit along with the Rail Fleet Services unit performed a maintenance review and condition assessment of the systems to be overhauled and then identified technical specifications to be prepared. It is expected that nine separate vendor contracts will be awarded to complete this component overhaul. The staff will return to the Board for approvals.

The Component Overhaul Program is coordinated with the Mid-life Rehabilitation Program and involves significant teardown and inspection of the car, truck and major assemblies, including system upgrades integration as obsolete systems are replaced with current technologies. Detailed planning for the Mid-life overhaul is expected to start in FY18. The OEM identifies the Mid-life Overhaul Program to be performed at the 15 year life cycle so that the vehicles achieve a design life of 30 years.

DETERMINATION OF SAFETY IMPACT

Safety is of the utmost importance to Metro; therefore, it is imperative to maintain the P2550 fleet. This program ensures that the fleet is overhauled in accordance with regulatory standards, the car builder prescribed maintenance cycles, and Metro's internal standards, policies and procedures.

FINANCIAL IMPACT

Adoption of the overhaul program establishes an LOP Budget in the amount of \$35,007,500 \$35,007,546 through FY23. Since this is a multi-year project, the cost center Director and Sr. Executive Officer, Rail Fleet Services will ensure that the balance of funds is budgeted in future years.

Impact to Budget

Budget in the amount of \$2.7 million has already been included in FY17 annual budget under CP 214001. The planned source of funds for this project comes from local funding source TDA Article 4 which is eligible for Bus and Rail Operating or Capital Projects.

ALTERNATIVES CONSIDERED

The P2550 Fleet is one of Metro's most reliable rail fleets and in order to continue with consistent

reliability, availability, and safety record the component overhaul is an integral program to continue the positive trend. An alternative is to defer the component overhaul program; however, this is not recommended as it may negatively impact safety, which may result in service delays, exposure to risk of fines during regulatory audits, and impact equipment and vehicle design life.

NEXT STEPS

Upon Board approval, staff will execute Contract No. MA27585 to ORX for the overhaul of 103 Ansaldo Breda P2550 light rail vehicle powered axle assemblies. There will be an additional eight overhaul contracts that will be brought to the Board for approval to complete this LOP Budget over the next 12 months.

ATTACHMENTS

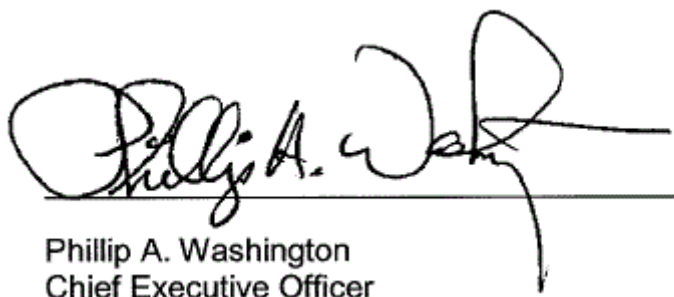
Attachment A - Procurement Summary
Attachment B - DEOD Summary
Attachment C - LOP and Budget Summary

Prepared by:

Bob Spadafora, Sr. Executive Officer, Rail Fleet Services, (213) 922-3144
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(310) 816-6944
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Jesus Montes, Sr. Executive Officer, Rail Vehicle Acquisition and Engineering
(213)922- 3838

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108

Debra Avila, Chief, Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

P2550 LIGHT RAIL VEHICLE COMPONENT OVERHAUL / MA27585

1.	Contract Number: MA27585	
2.	Recommended Vendor: ORX	
3.	Type of Procurement (check one): <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: 11/11/16	
	B. Advertised/Publicized: 11/15/16 – 11/28/16	
	C. Pre-Bid Conference: 12/6/16	
	D. Bids Due: 2/7/17	
	E. Pre-Qualification Completed: 2/2/17	
	F. Conflict of Interest Form Submitted to Ethics: 2/9/17	
	G. Protest Period End Date: 6/01/17	
5.	Solicitations Picked up/Downloaded: 23	Bids Received: 2
6.	Contract Administrator: Jean Davis	Telephone Number: 213/922-1041
7.	Project Manager: Russell Homan	Telephone Number: 626/471-7831

A. Procurement Background

This Board Action is to approve Contract No. MA27585 in support of Metro's P2550 Light Rail Vehicle (LRV) to procure services required for the complete overhaul and repair of the powered axle assemblies. Board approval of contract awards are subject to resolution of any properly submitted protest.

The IFB was issued in accordance with Metro's Acquisition Policy and the contract type is an Indefinite Delivery, Indefinite Quantity (IDIQ).

Four amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on November 18, 2016, to revise the specifications, establish the Pre-Bid Conference date, and extend the bid due date;
- Amendment No. 2, issued on November 23, 2016, to revise the specifications and bid price form;
- Amendment No. 3, issued on December 23, 2016, to revise the price form;
- Amendment No. 4, issued on January 18, 2017, to extend the bid due date.

A Pre-Bid Conference was held on December 6, 2016 and was attended by nine participants representing two firms. A total of two bids were received on February 7, 2017.

B. Evaluation of Bids

This procurement was conducted in accordance, and complies with LACMTA's Acquisition Policy for a competitive sealed bid. The two bids received are listed below:

	Bidder Name	Bid Amount
1.	ORX	\$4,952,654.00
2.	IGW USA, INC.	\$5,204,303.74

The firm recommended for award, ORX, was found to be in full compliance with the bid and technical requirements.

C. Price Analysis

The recommended total bid price from ORX has been determined to be fair and reasonable based upon adequate price competition, in accordance with FTA 4220.1F, Third Party Contracting Guidance, and the selection of the lowest responsive and responsible bid. Based on our market research, there are only a few technically qualified firms that can perform the P2550 powered axle overhaul. The pressing work needs to be performed by Association of American Railroads (AAR) certified companies. AnsaldoBreda is the Original Equipment Manufacturer (OEM), but has since gone out of business. The subcontractors that have performed Metro's previous overhauls on other Metro Rail vehicle powered axles in the past are also included as subs in ORX's bid price. Additionally, staff took a sample of the total number of firms that downloaded the solicitations to determine their reason(s) for not submitting a formal bid. Our findings were either 1) they were not in this specialized overhaul business; or 2) they were not technically qualified; or 3) they were not interested in a small quantity of overhauling four power axles per month.

Bidder Name	Bid Amount	Metro ICE
ORX	\$4,952,654.00	\$5,728,000.00

D. Background on Recommended Contractor

The recommended firm, ORX, located at One Park Avenue, Tipton, PA, has been in business since 1979 and supplies new and remanufactured wheel set assemblies, axles, combo units, gear units and trucks to light rail and heavy rail car builders and operating authorities throughout the United States and Canada. ORX has done business with other transit agencies including New Jersey Transit, JFK AirTran New York City Transit. ORX is currently overhauling Metro's Blue Line wheel set assemblies and have performed satisfactorily.

DEOD SUMMARY

**P2550 LIGHT RAIL VEHICLE COMPONENT OVERHAUL /
MA27585**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not establish a Small Business Enterprise (SBE) goal for this Original Equipment Manufacturer (OEM) procurement due to the apparent lack of subcontracting opportunities. The Project Manager confirmed that the powered axle kits will be uninstalled by Metro staff and shipped to the OEM for overhaul services, and then returned to Metro for re-installation. While the PM initially confirmed that the specialized shipping requirements precluded subcontracting opportunities, ORX, through its outreach efforts, was able to identify an SBE to perform the shipping specifications. ORX made a 5.18% SBE commitment.

Small Business Goal	0%	Small Business Commitment	5.18% SBE
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	SBE Subcontractor	% Committed
1.	Vobecky Enterprises	5.18%
Total Commitment		5.18%

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this Contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.

LOP and Budget

BUDGET LOP	FY17 (adopted)	FY 18	FY 19	FY 20	FY 21	FY 22	FY23	Total
LABOR								
Metro Represented Labor (FM Supervisor & Maintenance Specialists)	\$ 1,123,744	\$ 1,109,793	\$ 1,617,280	\$ 1,582,431	\$ 1,606,431	\$ 1,110,433		\$ 8,150,112
Metro Non-Represented Labor (PM & Contract Manager)	\$ 9,656	\$ 30,898	\$ 10,638	\$ 11,157	\$ 3,789	\$ 3,896		\$ 70,034
Labor Total	\$ 1,133,400	\$ 1,140,691	\$ 1,627,918	\$ 1,593,588	\$ 1,610,220	\$ 1,114,329		\$ 8,220,146
NON-LABOR								
Professional & Technical Services	\$ 312,800	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 15,000		\$ 452,800
Acquisition - Parts (Revenue Vehicle)	\$ 664,400	\$ 664,000	\$ 3,196,000	\$ 3,066,000	\$ 3,066,000	\$ 2,045,000		\$ 12,701,400
Acquisition - Equipment	\$ 664,400	\$ 664,000	\$ 3,196,000	\$ 3,066,000	\$ 3,066,000	\$ 2,045,000		\$ 12,701,400
Non-Labor Total	\$ 1,641,600	\$ 1,378,000	\$ 6,417,000	\$ 6,157,000	\$ 6,157,000	\$ 4,105,000		\$ 25,855,600
CONTINGENCY								
Contingency							\$ 931,800	\$ 931,800
Contingency Total	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 931,800	\$ 931,800
Total Project Cost	\$ 2,775,000	\$ 2,518,691	\$ 8,044,918	\$ 7,750,588	\$ 7,767,220	\$ 5,219,329	\$ 931,800	\$ 35,007,546



Board Report

File #: 2017-0322, File Type: Contract

Agenda Number: 30.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
JUNE 15, 2017**SUBJECT: CONTRACTED BUS SERVICE - SOUTH REGION****ACTION: AWARD CONTRACT FOR CONTRACTED BUS SERVICE****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed unit price Contract No. OP38384000 to MV Transportation, Inc. (MV) for contracted bus services in the South Region in an amount not-to-exceed \$127,280,617, effective July 1, 2017, subject to resolution of protest(s), if any.

ISSUE

The current contract with MV for operating bus services in the South Region is scheduled to expire on June 30, 2017. A new contract is required to continue the service.

DISCUSSION

Metro operates 18 bus lines that are contracted to private transportation companies. The South Region contractor currently operates seven of these lines as follows: 125, 128, 130, 205, 232, 607, and 625.

Line	Description	Annual RSH*	Annual Passengers
125	El Segundo - Downey via Rosecrans Ave.	44,595	1,612,779
128	Compton - La Mirada via Alondra Blvd.	11,466	320,248
130	Redondo Beach - Cerritos via Artesia Blvd.	33,235	942,404
205	Imperial/Wilmington Sta. - San Pedro via Wilmington Ave., Vermont Ave. & Western Ave.	45,300	1,193,736
232	Long Beach - LAX via Sepulveda Blvd.	60,198	1,893,401
607	Inglewood - Windsor Hills - Inglewood	2,310	18,263
625	Green Line Shuttle World Way West via Imperial Hwy.	4,860	91,367

*RSH = Revenue
Service Hours

Metro began contracting a portion of our bus services in 1996. The first 13 contracted lines were

existing directly operated services. These lines were transferred due to their high subsidy per passenger rate ratio. The remaining five (5) contract lines include some of the new local shuttle and Consent Decree services that have been added since 1996. Contracting a portion of our bus service has provided both cost and operational benefits:

- Annual savings are realized through the lower operating costs of the contractors.
- Modifications or expansion to existing bus divisions are not necessary when new services are added.
- Contracts allow greater flexibility in operation. Lines can be quickly added, cancelled, or modified.

Despite being operated by a contractor, Metro's Service Planning Department still includes all South Region routes in all performance and planning analyses. Changes are effected semiannually or when needed, to ensure optimal and efficient service performance.

In June 2010, the Board approved an award of a five-year contract with MV Public Transportation, Inc. which expires June 30, 2017. The new proposed Contract requires the contractor to pay for CNG fuel costs, but will continue to provide for reimbursement for actual fuel costs for diesel buses. The maximum cost Metro will pay for diesel fuel is based on an index price published by the Oil Price Information Service (OPIS). Reimbursement of diesel fuel used in revenue vehicles is a practice that Metro has used to minimize the risk of potentially volatile diesel fuel prices affecting costs over the five-year contract period and the potential need for price adjustments based on changes in fuel prices or varying diesel fuel consumption resulting from the replacement of diesel buses with new CNG buses. Metro requires contractors to pay for CNG fuel for revenue vehicles and develop a plan for the installation of a CNG station within their facility for continuity and reliability of operation.

The new Contract contains additional provisions related to vehicle maintenance, including dedicated positions for maintenance of Metro-owned communications equipment such as advance transportation management system (ATMS), automated passenger count (APC), and others, stricter body damage and appearance standards, and specific procedures for the transfer of vehicles to and from the contractor to further increase service versatility. Metro has initiated the process of acquiring new CNG buses which will replace the current diesel fleet during this Contract period. Metro's Vehicle Acquisition group expects that the buses will be replaced during FY18-FY19; pending a decision by Bus Fleet Management. The Contract also contains the same provisions that allow for service levels to be increased or decreased over the term of the Contract based on our operating needs. Additionally, Metro has implemented new provisions to incentivize the application for, and receipt of, fuel tax credits and grants relating to the maintenance of Metro's buses. These provisions allow the contractor to retain a majority of the fuel tax credits/grants toward the beginning of the contract period and gradually balance out to where the contractor and Metro evenly retain the fuel tax credits/grants.

The new Contract term will begin July 1, 2017 and end June 30, 2022.

DETERMINATION OF SAFETY IMPACT

The proposed Contract contains provisions requiring minimum levels for training that will ensure the safest possible operation of our equipment and service.

FINANCIAL IMPACT

The funding of \$24,029,963 for this contracted service is included in the FY18 budget in Cost Center 3593 3592; Project 306001, Operations Transportation, and Account 50801, Purchased Transportation. Since this is a multi-year contract, the cost center manager and Chief Operations Officer will be accountable for budgeting the cost in future years, including any options exercised.

Impact to Budget

The source of funds for this service will come from Federal, State, and local funding sources including sales tax and fares that are eligible for Bus Operating Projects. These funding sources will maximize the use of funds for these activities given funding provisions.

ALTERNATIVES CONSIDERED

Staff considered bringing these services in-house. Based on our proposed FY18 marginal bus operating cost of \$167.65 per Revenue Service Hours, it would cost more to operate these services in-house and would require physical modifications to our facilities to operate and maintain the vehicles used for this service. The new cost for services is \$97.36 per RSH for diesel and \$122.13 per RSH for CNG.

NEXT STEPS

Upon Board approval, staff will execute Contract No. OP38384000 to MV Transportation, Inc. In spring 2022, staff will return to the Board with recommendations based upon further evaluation of the services provided under this Contract.

ATTACHMENTS

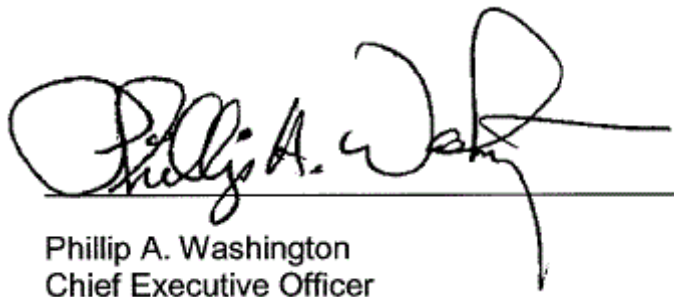
Attachment A - Procurement Summary

Attachment B - Metro South Region Contract Service Bus Lines

Attachment C - DEOD Summary

Prepared by: Cathy Rosas, Manager, Transportation Contract Services, (213) 922-2875
George Del Valle, Transportation Contract Services Field Representative, (213) 922-7240

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

CONTRACT BUS SERVICES – SOUTH REGION/OP38384000

1.	Contract Number: OP38384000	
2.	Recommended Vendor: MV Transportation, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: February 22, 2017	
	B. Advertised/Publicized: February 24, 2017	
	C. Pre-Proposal Conference: March 7, 2017	
	D. Proposals Due: April 5, 2017	
	E. Pre-Qualification Completed: Pending (Due to Proposal clarifications and revisions Pre-Qualification will be delayed)	
	F. Conflict of Interest Form Submitted to Ethics: May 1, 2017	
	G. Protest Period End Date: June 15, 2017	
5.	Solicitations Picked up/Downloaded: 27	Bids/Proposals Received: 2
6.	Contract Administrator: Antwaun Boykin	Telephone Number: 213-922-1056
7.	Project Manager: Cathy Rosas	Telephone Number: 213-922-2875

A. Procurement Background

This Board Action is to approve the award of Contract No. OP38384000 issued in support of contracted operation of local transit lines in the south region of Los Angeles County. The South Region includes seven transit lines which are predominantly operated within the Metro Gateway Cities and the South Bay service areas. Board approval of contract awards are subject to resolution of any properly submitted protest.

Request for Proposals (RFP) No. OP38384 was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit price. In an effort to limit the potential risk of loss of service due to failed CHP inspections, labor stoppage, and poor performance, RFP No. OP38382 stated that the contract award for RFP No. OP38382, Contracted Transportation Services – East Region will not be made to the same awardee of RFP No. OP38384, Contracted Transportation Services – South Region. Firms were allowed to propose on RFP No. OP38382, RFP No. OP38384, or both. However, one firm could not be awarded both contracts.

Three amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on March 13, 2017, clarified Pre-Proposal Documents;
- Amendment No. 2, issued on March 21, 2017, extended the proposal due date;

- Amendment No. 3, issued on March 27, 2017, clarified the Exhibit II Statement of Work, Attachment W Engine information, Additional information requested, Volume II Compliance Forms, and added the Variable Unit Rate Pricing Schedule.

Two proposals were received on April 5, 2017. Both firms were found to be responsive and responsible after initial review.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Transportation Contract Services, Safety, Revenue Collection, Transportation Operations, and Service Planning and Scheduling was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- | | |
|------------------------------------|------------|
| • Qualifications of the Firm | 10 percent |
| • Qualifications Of Proposed Staff | 15 percent |
| • Proposed Facility | 15 percent |
| • Operating Methodology/Work Plan | 25 percent |
| • Past Performance | 15 percent |
| • Price | 20 percent |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar contracted services. Several factors were considered when developing these weights, giving the greatest importance to the operating methodology/work plan.

Of the two proposals received, both were determined to be within the competitive range. The firms are listed below in alphabetical order:

1. First Transit, Inc.
2. MV Transportation, Inc.

During the week(s) of April 14 through April 28, the PET conducted proposed facility site visits and proposer interviews. The firms' project managers and key team members had an opportunity to present their team's qualifications and respond to questions from the evaluation committee. In general, each team's presentation addressed the requirements of the RFP, experience with all aspects of the required tasks, and stressed each firm's commitment to the success of the project. Also highlighted were staffing plans, facility plans, and work plans. Each team was asked questions relative to their firm's proposed alternatives and previous experience with similar projects.

Qualifications Summary of Firms within the Competitive Range:

MV Transportation, Inc.

Established more than 40 years ago, MV Transportation (MV) has 16 years of experience operating transit services in the Los Angeles area. MV is extremely familiar with the unique characteristics of the County. MV has also worked with the Los Angeles Department of Transportation (LADOT), the City of Santa Clarita Transit, and the Regional Transportation Commission of Southern Nevada. MV offers Metro the ongoing leadership of its existing Metro South Region management team. MV has operated Metro's South Region services since 2010. MV proposed a team of locally-based transit professionals who offer experienced and highly specialized leadership in the areas of operations, contract management, safety, finance, maintenance, training, labor relations, human resources, recruiting, and numerous other areas.

First Transit, Inc.

First Transit, Inc. has 60 years of transportation operations and management experience with over 320 current contracts. With over 70 locations across the State of California, FirstGroup America (including First Transit, First Vehicle Services, First Student and Greyhound) is the largest private supplier of transportation services in the state. First Transit, Inc. and First Vehicle Services have nearly 40 contracts in California. First Transit, Inc. has region and corporate management professionals who have extensive transit expertise, providing location support in areas of safety, training, administration, accounting, insurance claims management, and human resources.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	MV Transportation, Inc.				
3	Qualifications Of The Firm	92.00	10.00%	9.20	
4	Qualifications Of Proposed Staff	86.53	15.00%	12.98	
5	Contractor Facility	97.46	15.00%	14.62	
6	Operating Methodology/Work Plan	91.52	25.00%	22.88	
7	Past Performance	88.53	15.00%	13.28	
8	Price For Services	95.5	20.00%	19.10	
9	Total		100.00%	92.06	1
10	First Transit, Inc.				
11	Qualifications Of The Firm	90.00	10.00%	9.00	

12	Qualifications Of Proposed Staff	91.60	15.00%	13.74	
13	Contractor Facility	80.00	15.00%	12.00	
14	Operating Methodology/Work Plan	90.00	25.00%	22.50	
15	Past Performance	84.26	15.00%	12.63	
16	Price For Services	100.00	20.00%	20.00	
17	Total		100.00%	89.87	2

C. Price Analysis

The recommended price has been determined to be fair and reasonable based upon adequate competition.

	Proposer Name	Proposal Amount	Metro ICE	Negotiated or NTE amount
1.	MV Transportation, Inc.	\$127,280,617.00	\$156,048,655.00	\$127,280,617.00
2.	First Transit, Inc.	\$125,419,496.00		

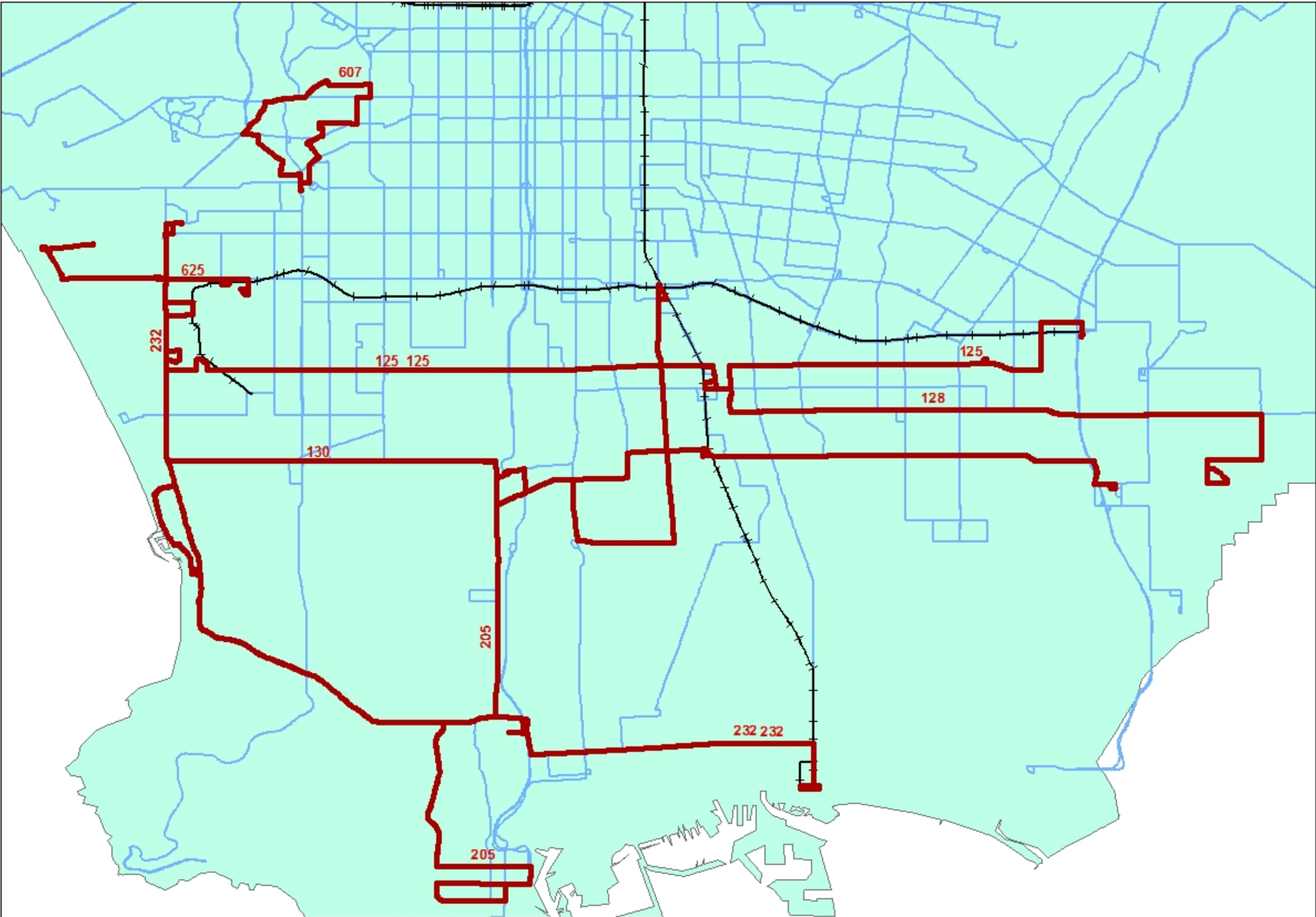
D. Background on Recommended Contractor

The recommended firm, MV Transportation, Inc. (MV), located in Dallas, TX has been in business for 40 years and is a leader in the field of transportation services. In Southern California, MV operates more fixed route and shuttle services than any other contractor. In addition to its current work in Metro's South Region, MV operates fixed route and commuter services for LADOT, the City of Santa Clarita, and numerous cities within the greater Los Angeles metropolitan area. MV's proposed General Manager has nearly 40 years of general transportation experience, including more than 20 years of management experience. In his current role as general manager of MV's North Region Commuter Express and DASH operation for LADOT, he oversees the daily operation of a fleet of 80 vehicles.

MV Transportation, Inc. is the incumbent for the current contract with Metro and has performed satisfactory.



Metro South Region Contract Service Bus Lines



Legend

-  Metro South Region Contract Lines
-  Metro Rail Lines
-  Metro Bus Lines
-  Major Streets
-  Metro Service Area



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DEOD SUMMARY**CONTRACT BUS SERVICES – SOUTH REGION/OP38384000****A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 5% Disadvantaged Business Enterprise (DBE) goal for this solicitation. MV Transportation exceeded the goal by making a 5.39% DBE commitment.

Small Business Goal	5% DBE	Small Business Commitment	5.39% DBE

	DBE Subcontractors	Ethnicity	% Committed
1.	JCM & Associates, Inc.	Hispanic American	0.06%
2.	J.D. Evans, Inc.	Caucasian Female	0.03%
3.	First Fuel, Inc.	Caucasian Female	5.30%
Total DBE Commitment			5.39%

B. Contracting Outreach and Mentoring Plan

To be responsive, Proposers were required to submit a Contracting Outreach and Mentoring Plan (COMP), which included its plan to mentor one DBE firm for protégé development. The selected DBE protégé is J.D. Evans, Inc.

C. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

D. Prevailing Wage Applicability

Prevailing wage is not applicable to this Contract.

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.



Board Report

File #: 2017-0299, File Type: Contract

Agenda Number: 31.

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
JUNE 15, 2017****SUBJECT: CONTRACTED BUS SERVICE - EAST REGION****ACTION: AWARD CONTRACT FOR CONTRACTED BUS SERVICE****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed unit price Contract No. OP38382000 to Southland Transit, Inc. for contracted bus services in the East Region in an amount not-to-exceed \$65,245,597 effective July 1, 2017, subject to resolution of protest(s), if any.

ISSUE

The current contract with Southland Transit, Inc. (Southland) for operating bus services in the East Region is scheduled to expire on June 30, 2017. A new contract is required to continue the service.

DISCUSSION

Metro operates 18 bus lines that are contracted to private transportation companies. The East Region contractor currently operates five of these lines as follows: 254, 256, 266, 577, and 605.

Line	Description	Annual RSH*	Annual Passengers
254	Boyle Heights - 103rd St. Station via Lorena St. & Boyle Ave.	10,575	227,198
256	Commerce - Altadena via Eastern Ave. & Hill Ave.	26,435	533,293
266	Lakewood - Pasadena via Roasemead Blvd. & Lakewood Blvd.	37,551	1,581,242
577	Metro Express (El Monte Station - Downtown Long Beach via I-605 Fwy.)	15,762	214,672
605	Grande Vista Ave. - Boyle Heights - LA County + USC Medical Center	17,095	680,051

*RSH = Revenue
Service Hours

Metro began contracting a portion of bus services in 1996. The first 13 contracted lines were existing services Metro operated. These lines were transferred because of their high subsidy per passenger. The remaining contract lines include some of the new local shuttle and Consent Decree services that have been added since 1996. Contracting a portion of the bus services has provided both cost and

operational benefits:

- Annual savings are realized through the lower operating costs of the contractors.
- Modifications or expansion to existing bus divisions are not necessary when new services are added.
- Contracts allow greater flexibility in operation. Lines can be quickly added, cancelled, or modified.

Despite being operated by a contractor, Metro Service Planning Department still includes all East Region routes in all performance and planning analyses. Changes are effected semiannually or when needed to ensure optimal and efficient service performance.

In July 2010, the Board approved an award of a five-year contract with Southland Transit which expires June 30, 2017. The new proposed Contract requires the contractor to pay for CNG fuel costs for buses and develop a plan for the installation of a CNG station within their facility for reliability of operation.

The new Contract contains additional provisions related to vehicle maintenance, including dedicated positions for maintenance of Metro-owned communications equipment such as advance transportation management system (ATMS), automated passenger count (APC), and others, stricter body damage and appearance standards, and specific procedures for the transfer of vehicles to and from contractor to further increase service versatility. The Contract also contains the same provisions that allow for service levels to be increased or decreased over the term of the Contract based on our operating needs. Additionally, Metro has implemented new provisions to incentivize the application for, and receipt of, fuel tax credits and grants relating to the maintenance of Metro's buses. These provisions allow the contractor to retain a majority of the fuel tax credits/grants toward the beginning of the contract period and gradually balance out to where the contractor and Metro evenly retain the fuel tax credits/grants.

The new Contract term will begin July 1, 2017 and end June 30, 2022.

DETERMINATION OF SAFETY IMPACT

The proposed Contract contains provisions requiring minimum levels training that will ensure the safest possible operation of our equipment and service.

FINANCIAL IMPACT

The funding of \$12,070,511 for this contracted service is included in the FY18 budget in Cost Center 3593; Project 306001, Operations Transportation, and Account 50801, Purchases Transportation. Since this is a multi-year contract, the cost center manager and Chief Operations Officer will be accountable for budgeting the cost in future years, including any options exercised.

Impact to Budget

The source of funds for this service will come from Federal, State, and local funding sources including sales tax and fares that are eligible for Bus Operating Projects. These funding sources will

maximize the use of funds for these activities given funding provisions.

ALTERNATIVES CONSIDERED

The alternate to awarding a new contract, staff considered in-house services. Based on the proposed FY18 marginal bus operating cost of \$167.65 per Revenue Service Hours, it would cost more to operate these services in-house and would require physical modifications to our facilities to operate and maintain the vehicles used for this service. The new cost for services is \$104.96 per Revenue Service Hour for CNG. The East region does not operate diesel vehicles.

NEXT STEPS

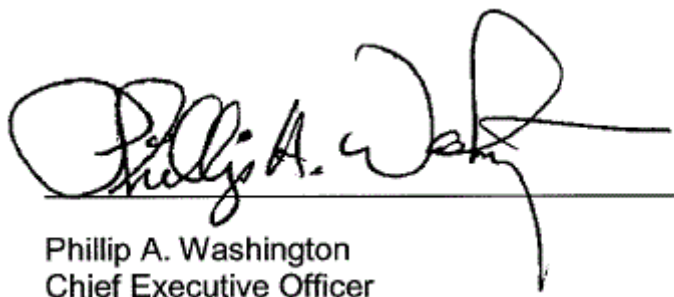
Upon Board approval, staff will execute Contract No. OP38382000 to Southland Transit, Inc. In spring 2022, staff will return to the Board with recommendations based upon further evaluation of the services provided under this Contract.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - East Region Service Map
Attachment C - DEOD Summary

Prepared by: Cathy Rosas, Manager, Transportation Contract Services, (213) 922-2875
George del Valle, Transportation Contract Services Field Representative, (213) 922-7240

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

CONTRACT BUS SERVICES – EAST REGION/OP38382000

1.	Contract Number: OP38382000	
2.	Recommended Vendor: Southland Transit, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: February 22, 2017	
	B. Advertised/Publicized: February 24, 2017	
	C. Pre-Proposal Conference: March 7, 2017	
	D. Proposals Due: April 5, 2017	
	E. Pre-Qualification Completed: Pending (Due to Proposal clarifications and revisions Pre-Qualification will be delayed)	
	F. Conflict of Interest Form Submitted to Ethics: May 1, 2017	
	G. Protest Period End Date: June 15, 2017	
5.	Solicitations Picked up/Downloaded: 21	Bids/Proposals Received: 3
6.	Contract Administrator: Antwaun Boykin	Telephone Number: 213-922-1056
7.	Project Manager: Cathy Rosas	Telephone Number: 213-922-2875

A. Procurement Background

This Board Action is to approve the award of Contract No. OP38382000 issued in support of contracted operation of local transit lines in the east region of Los Angeles County. The East Region includes five transit lines which are predominantly operated within the Metro Gateway Cities and the San Gabriel Valley service areas. Board approval of contract awards are subject to resolution of any properly submitted protest.

Request for Proposals (RFP) No. OP38382 was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit price. In an effort to limit the potential risk of loss of service due to failed CHP inspections, labor stoppage, and poor performance, RFP No. OP38382 stated that the Contract award for RFP No. OP38382, Contracted Transportation Services – East Region will not be made to the same awardee of RFP No. OP38384, Contracted Transportation Services – South Region. Firms were allowed to propose on RFP No. OP38382, RFP No. OP38384, or both. However, one firm could not be awarded both contracts.

Three amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on March 13, 2017, clarified Pre-Proposal Documents;
- Amendment No. 2, issued on March 21, 2017, extended the proposal due date;

- Amendment No. 3, issued on March 27, 2017, clarified the Exhibit II Statement of Work, Attachment W Engine information, Additional information requested, Volume II Compliance Forms, Add Variable Unit Rate Pricing Schedule;

Three proposals were received on April 5, 2017. All three were found to be responsive and responsible after initial review.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Transportation Contract Services, Safety, Revenue Collection, Transportation Operations, and Service Planning and Scheduling was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- | | |
|------------------------------------|------------|
| • Qualifications of the Firm | 10 percent |
| • Qualifications Of Proposed Staff | 15 percent |
| • Proposed Facility | 15 percent |
| • Operating Methodology/Work Plan | 25 percent |
| • Past Performance | 15 percent |
| • Price | 20 percent |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar contracted services. Several factors were considered when developing these weights, giving the greatest importance to the operating methodology/work plan.

Of the three proposals received, all were determined to be within the competitive range. The firms are listed below in alphabetical order:

1. First Transit, Inc.
2. MV Transportation, Inc.
3. Southland Transit, Inc.

During the week(s) of April 14 through April 28, the PET conducted proposed facility site visits and proposer interviews. The firms' project managers and key team members had an opportunity to present their team's qualifications and respond to questions from the evaluation committee. In general, each team's presentation addressed the requirements of the RFP, experience with all aspects of the required tasks, and stressed each firm's commitment to the success of the project. Also highlighted were staffing plans, facility plans, and work plans. Each team was asked questions relative to their firm's proposed alternatives and previous experience with similar projects.

Qualifications Summary of Firms within the Competitive Range:

Southland Transit, Inc.

Southland Transit, Inc. has established itself as the leading local transit firm in southern California by providing professionally operated, cost effective transit service to a variety of different size governmental agencies. Southland Transit has consistently exceeded on-time performance standards and achieved close to 100% service delivery. In addition to their experience at Metro, Southland Transit's management team has experience serving contracted lines for such agencies as, Los Angeles Department of Transportation (LADOT), Foothill Transit, AVTA, OCTA, RTA, and MTS.

MV Transportation, Inc.

Established more than 40 years ago, MV Transportation (MV) has 16 years of experience operating transit services in the Los Angeles area. MV is extremely familiar with the unique characteristics of the County. MV has also worked with LADOT, the City of Santa Clarita Transit, and the Regional Transportation Commission of Southern Nevada. MV offers Metro the ongoing leadership of its existing Metro East Region management team. MV has operated Metro's East Region services since 2010. MV proposed a team of locally-based transit professionals who offer experienced and highly specialized leadership in the areas of operations, contract management, safety, finance, maintenance, training, labor relations, human resources, recruiting, and numerous other areas.

First Transit, Inc.

First Transit, Inc. has 60 years of transportation operations and management experience with over 320 current contracts. With over 70 locations across the State of California, FirstGroup America (including First Transit, First Vehicle Services, First Student and Greyhound) is the largest private supplier of transportation services in the state. First Transit and First Vehicle Services have nearly 40 contracts in California. First Transit, Inc. has region and corporate management professionals who have extensive transit expertise, providing location support in areas of safety, training, administration, accounting, insurance claims management, and human resources.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	MV Transportation, Inc.				
3	Qualifications Of The Firm	88.00	10.00%	8.80	
4	Qualifications Of Proposed Staff	80.13	15.00%	12.02	
5	Contractor Facility	88.00	15.00%	13.20	
6	Operating Methodology/Work Plan	88.08	25.00%	22.02	
7	Past Performance	86.13	15.00%	12.92	
8	Price For Services	100.00	20.00%	20.00	
9	Total		100.00%	88.96	1
10	Southland Transit, Inc.				
11	Qualifications Of The Firm	88.00	10.00%	8.80	
12	Qualifications Of Proposed Staff	84.00	15.00%	12.60	
13	Contractor Facility	92.00	15.00%	13.80	
14	Operating Methodology/Work Plan	88.56	25.00%	22.14	
15	Past Performance	88.53	15.00%	13.28	
16	Price For Services	89.50	20.00%	17.90	
17	Total		100.00%	88.52	2
18	First Transit, Inc.				
19	Qualifications Of The Firm	88.00	10.00%	8.80	
20	Qualifications Of Proposed Staff	90.00	15.00%	13.50	
21	Contractor Facility	82.13	15.00%	12.32	
22	Operating Methodology/Work Plan	90.08	25.00%	22.52	
23	Past Performance	83.2	15.00%	12.48	
24	Price For Services	75.00	20.00%	15.00	
25	Total		100.00%	84.62	3

As previously stated, firms were allowed to propose on RFP No. OP38382 (East Region), RFP No. OP38384 (South Region), or both. However, one firm could not be awarded both contracts as stipulated in the RFPs. Although MV Transportation's score was slightly higher as a result of this evaluation, MV Transportation is being recommended for award for the South Region. Therefore, Southland Transit is recommended for award for the East Region.

C. Price Analysis

The recommended price has been determined to be fair and reasonable based upon adequate competition.

	Proposer Name	Proposal Amount	Metro ICE	NTE amount
1.	Southland Transit, Inc.	\$65,245,596.52	\$58,775,515.04	\$65,245,597.00
2.	MV Transportation, Inc.	\$58,315,350.00		
3.	First Transit, Inc.	\$77,781,165.17		

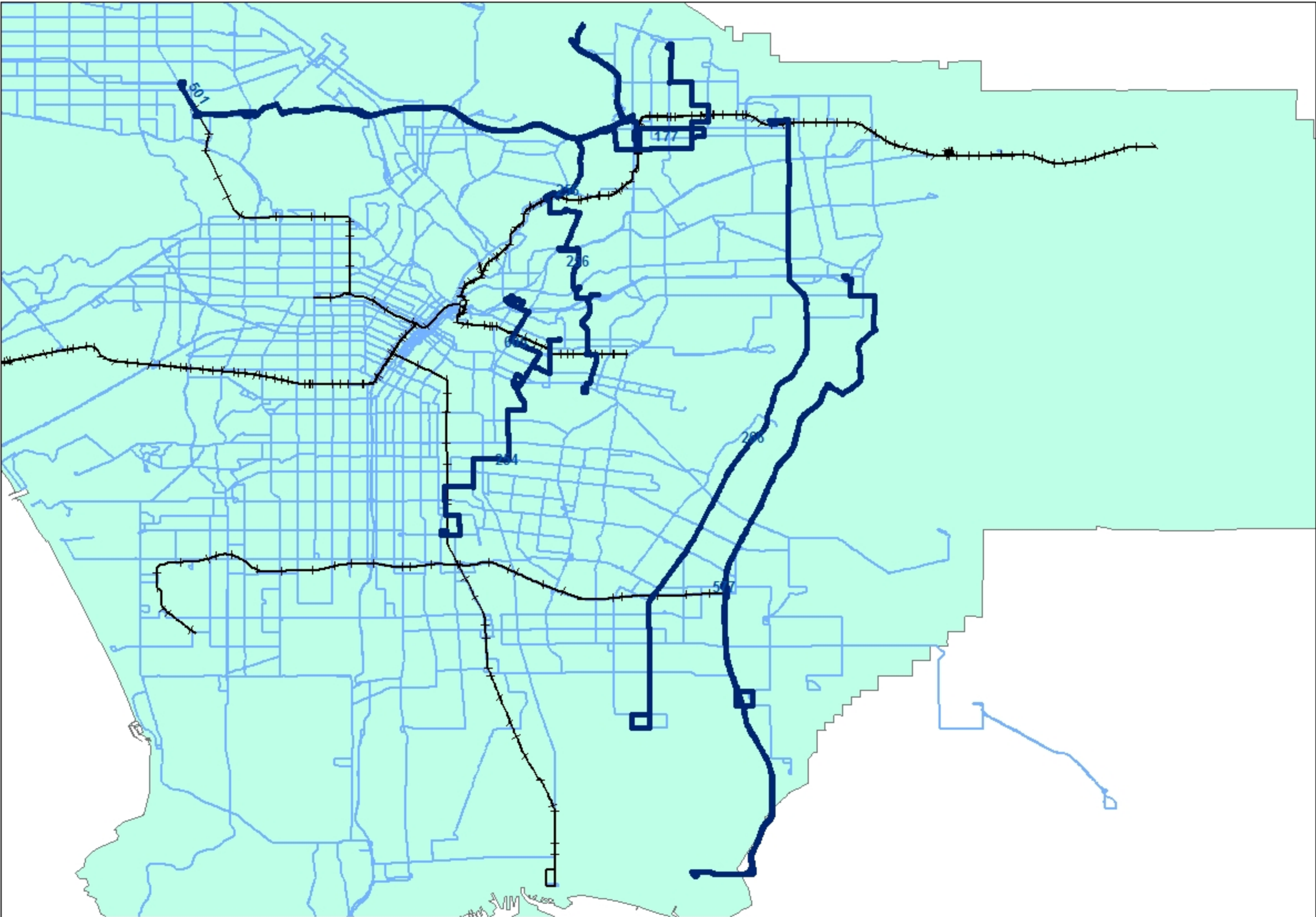
D. Background on Recommended Contractor

The recommended firm, Southland Transit, Inc., located in El Monte, CA has been serving Southern California communities for over 64 years and has provided professionally operated, cost effective transit service to a variety of different size governmental agencies. In addition to being the current operator of the LA Metro East Region Services many of the other projects operated by Southland Transit are in the San Gabriel Valley and the greater Los Angeles County for LADOT, City of Santa Clarita, and numerous cities within the greater Los Angeles Metropolitan area. Southland Transit is proposing four of their professional management staff to lead the team on this service. The professional staff is current employees already assigned to the East Division management team. The proposed General Manager has built a progressive distinguished record of accomplishment in the transit industry as a driver, Road Supervisor, Operations Manager, and as a General Manager.

Southland Transit, Inc. is the incumbent for the current contract with Metro and has performed satisfactory.



Metro East Region Contract Service Bus Lines



Legend

- Metro East Region Contract Lines
- +—+— Metro Rail Lines
- Metro Bus Lines
- Major Streets
- Metro Service Area



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DEOD SUMMARY

CONTRACTED BUS SERVICES – EAST REGION/OP38382000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 5% Disadvantaged Business Enterprise (DBE) goal for this solicitation. Southland Transit, Inc. exceeded the goal by making a 5.15% DBE commitment.

Small Business Goal	5% DBE	Small Business Commitment	5.15% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	Performance Auto Body	Hispanic American	1.87%
2.	JCM & Associates, Inc.	Hispanic American	0.34%
3.	J.D. Evans, Inc.	Caucasian Female	0.05%
4.	Carl's Electric, Inc.	Asian Pacific American	0.21%
5.	Tranco Upholstery	Asian Pacific American	0.32%
6.	Trans-Global Services	Asian Pacific American Female	2.36%
Total Commitment			5.15%

B. Contracting Outreach and Mentoring Plan

To be responsive, Proposers were required to submit a Contracting Outreach and Mentoring Plan (COMP), which included its plan to mentor one (1) DBE firm for protégé development. The selected DBE protégé is Trans-Global Services.

C. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

D. Prevailing Wage Applicability

Prevailing wage is not applicable to this Contract.

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.



Board Report

File #: 2017-0300, **File Type:** Agreement

Agenda Number: 32.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE JUNE 15, 2017

SUBJECT: GLENDALE BEELINE ROUTE 3 / LADOT DASH 601, DASH 602 AND COMMUTER EXPRESS 422, AND PVPTA LINE 225/226 TRANSIT SERVICE OPERATION AGREEMENTS

ACTION: APPROVE TRANSIT SERVICE OPERATION AGREEMENTS

RECOMMENDATION

CONSIDER:

- A. EXTENDING the Transit Service Operation Agreement between LACMTA and the City of Glendale for the Glendale Beeline Route 3 for an additional two years inclusive of \$1,091,577;
- B. EXTENDING the Transit Service Operation Agreement between LACMTA and the City of Los Angeles Department of Transportation (LADOT) for Dash 601, Dash 602, and Commuter Express 422 for an additional two years inclusive of \$8,900,520;
- C. EXTENDING the Transit Service Operation Agreement between LACMTA and the Palos Verdes Peninsula Transportation Authority (PVPTA) for operation of the Line 225/226 for two years inclusive of \$485,705;
- D. AUTHORIZING the Chief Executive Officer, or their designee, to negotiate and execute all necessary agreements between LACMTA and the City of Glendale for funding approval;
- E. AUTHORIZING the Chief Executive Officer, or their designee, to negotiate and execute all necessary agreements between LACMTA and the LADOT; and
- F. AUTHORIZING the Chief Executive Officer, or their designee, to negotiate and execute all necessary agreements between LACMTA and the PVPTA for funding approval.

ISSUE

The current agreement between LACMTA and the City of Glendale, to fund a portion of Glendale Beeline Route 3 and Line 177, will expire on June 30, 2017. Staff is requesting Board authority to

continue the agreement through June 30, 2019, as the service replaces the former western extension of Metro's directly operated Line 177.

The current agreement between LACMTA and LADOT to fund a portion of Dash 601, Dash 602, and Commuter Express 422 will expire on June 30, 2017. Staff is requesting Board authority to continue the agreement through June 30, 2019. This service provides a vital community based service that originally was part of the Consent Decree. In FY1998 Metro implemented a Consent Decree Pilot Program to improve mobility for the transit dependent. In July 1999 the Board of Directors approved the service modifications based on the Pilot Program and Public Hearing results. The term of the agreement was for one year from the initial date of operations with automatic one year renewals which include changes to service levels as needed.

The current agreement between LACMTA and PVPTA funds a portion of Line 225/226 and will expire on June 30, 2017. Staff is requesting Board authority to continue the agreement through June 30, 2019.

DISCUSSION

City of Glendale

In February 2000, the LACMTA Board approved a 10 year agreement in which LACMTA would discontinue operating service on the western portion of MTA Route 177 between the Jet Propulsion Laboratory (JPL) and downtown Glendale. Line 177 is now a contract line operated for Metro via a private bus company. The service is considered to be a local, community based service that is more suited to be integrated into the Beeline service operated by the City of Glendale.

The City of Glendale agreed to operate on the days of week, span of service, and frequencies of service equal to or better than that operated by the LACMTA. The rate will be indexed each year according to the Consumer Price Index (CPI).

City of Los Angeles Department of Transportation

The Transit Service Operations Agreement between LACMTA and the City of Los Angeles has been effective since its implementation as part of the Consent Decree which ended in 2010. The service has enabled both agencies to focus on operating services more appropriate to each agency's core mission. Currently, Line 422 averages 11 boardings per hour, Line 601 averages 44 boardings per hour and Line 602 averages 24 boardings per hour. These levels are all above the average boardings for community based transit services. In FY16, lines 422, 601 and 602 scheduled 106,536 RSH and reported approximately 3,585,881 annual passenger trips.

City of Palos Verdes Peninsula Transportation Authority

PVPTA began providing service to the Palos Verdes Peninsula in 1995. At the time of the Consent Decree Metro Line 225/226 was the only local bus line operated in this part of the County. In 2006 it was determined that Line 225/226 would be best, and most cost effectively, operated by PVPTA via subsidy from LACMTA. In FY16, line 225/226 scheduled 6,288 RSH and reported approximately 34,108 annual passenger trips. Please refer to Attachments A, B, and C for additional ridership and service information relating to City of Glendale, LADOT and PVPTA service.

Performance Evaluation

During the coming months Metro staff will continue to evaluate the performance of the lines to ensure that the service provided aligns with Metro's Transit Service Policy, efficiency standards, and meets the needs of our customers. In spring 2019, staff will return to the Board with recommendations based upon further evaluation of the services provided under these Transit Service Operation Agreements along with possible alternative funding sources.

DETERMINATION OF SAFETY IMPACT

This Board action will not have any impact on the safety of Metro's employees or customers.

FINANCIAL IMPACT

The full value of the City of Glendale service agreement is \$1,091,577, LADOT is \$8,900,520, and PVPTA is \$485,705. Funding of \$5,238,901 is included in the FY18 budget to provide the FY18 service levels. All funds for these transit service agreements are included in the FY18 budget cost center 3590, Account 54001 under project number 306006 (System-wide Bus Operations Management and Administration), task 01.001.s.

Since these are multi-year contracts, the cost center/project manager will be responsible for budgeting these costs in future fiscal years.

Impact to Budget

Funding for this action will come from the Enterprise Operating fund. The source of funds will be from Federal, State, and Local sources including sales tax and fares. These funding sources are eligible for Bus Operating Projects and will maximize fund use based on funding allocation provisions.

ALTERNATIVES CONSIDERED

The Board could elect to no longer operate the service based on the termination terms delineated in the agreements, although this would be at a detriment to the community based approach that Metro advocates for. Another option would be to bring the services in-house as part of LACMTA's directly operated services. This option would result in a higher cost to LACMTA due to increased dead-head, additional equipment purchase and maintenance costs, along with increases to the number of FTEs needed to operate the service. The final option considered would be to find an alternative funding source for these services. This option may be viable but will likely result in a lapse in service while alternative funding sources are evaluated and applied for.

NEXT STEPS

Staff will execute a renewal of the current Transit Service Operation Agreements between LACMTA

and the City of Glendale for the Glendale Beeline Route 3 and Line 177; will execute an agreement between LACMTA and the City of Los Angeles for Lines 422, 601 and 602; and will execute an agreement between LACTMA and PVPTA for Line 225/226. During the coming months LACMTA staff will continue to evaluate the performance of the lines to ensure that the service provided aligns with Metro's Transit Service Policy, efficiency standards, and meets the needs of our customers. In spring 2019, staff will return to the Board with recommendations based upon further evaluation of the services provided under these Transit Service Operation Agreements along with possible alternative funding sources.

ATTACHMENTS

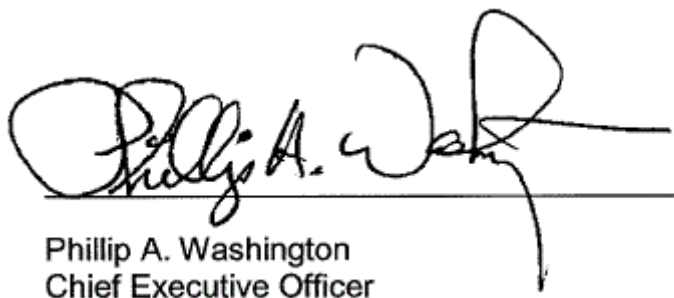
Attachment A - Map of Glendale Service Area

Attachment B - Map of LADOT Service Area

Attachment C - Map of PVPTA Service Area

Prepared by: Cathy Rosas, Manager, Transportation Contract Services, (213) 922-2875
George Del Valle, Transportation Contract Services Field Representative, (213) 922-7240

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108

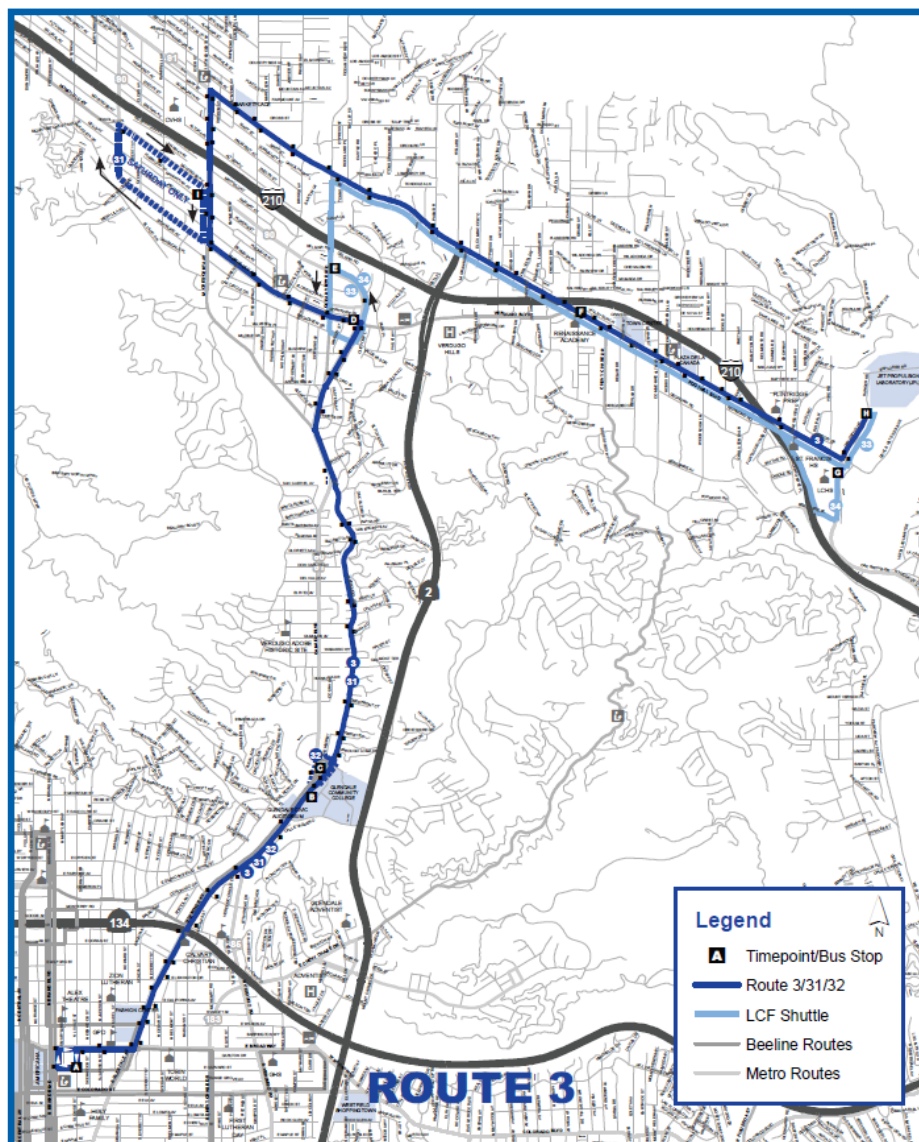


Phillip A. Washington
Chief Executive Officer

Glendale Service Area

Attachment A

GLENDALE						
	FY 14 Beeline Route 3	FY 14 Line 177 Equivalent	FY 15 Beeline Route 3	FY 15 Line 177 Equivalent	FY 16 Beeline Route 3	FY 16 Line 177 Equivalent
Annual Scheduled Revenue Hours	3,999.6	6,756.4	4,005.0	6,756.4	4,088.7	6,756.4
Days of Operation	M-F	M-F	M-F	M-F	M-F	M-F
Service Frequency	20-50 min	20-50 min	20-50 min	20-50 min	20-50 min	20-50 min
Span of Service	5:05 AM-8:57 PM	5:05 AM-8:57 PM	5:05 AM-8:57 PM	5:05 AM-8:57 PM	5:05 AM-8:57 PM	5:05 AM-8:57 PM
Annual Passenger Trips	117,841	199,068	122,132	206,038	123,751	204,492
Boardings per Hour	29.5	29.5	30.5	30.5	30.3	30.3
Cash Fare	\$1 Reg \$0.50 Sr/Dis/Med	\$1 Reg \$0.50 Sr/Dis/Med	\$1 Reg \$0.50 Sr/Dis/Med	\$1 Reg \$0.50 Sr/Dis/Med	\$1 Reg \$0.50 Sr/Dis/Med	\$1 Reg \$0.50 Sr/Dis/Med



LADOT-DASH Boyle Heights (Line 601)

LADOT-DASH Pico Union (Line 602)

LADOT-Commuter Express (Line 422)

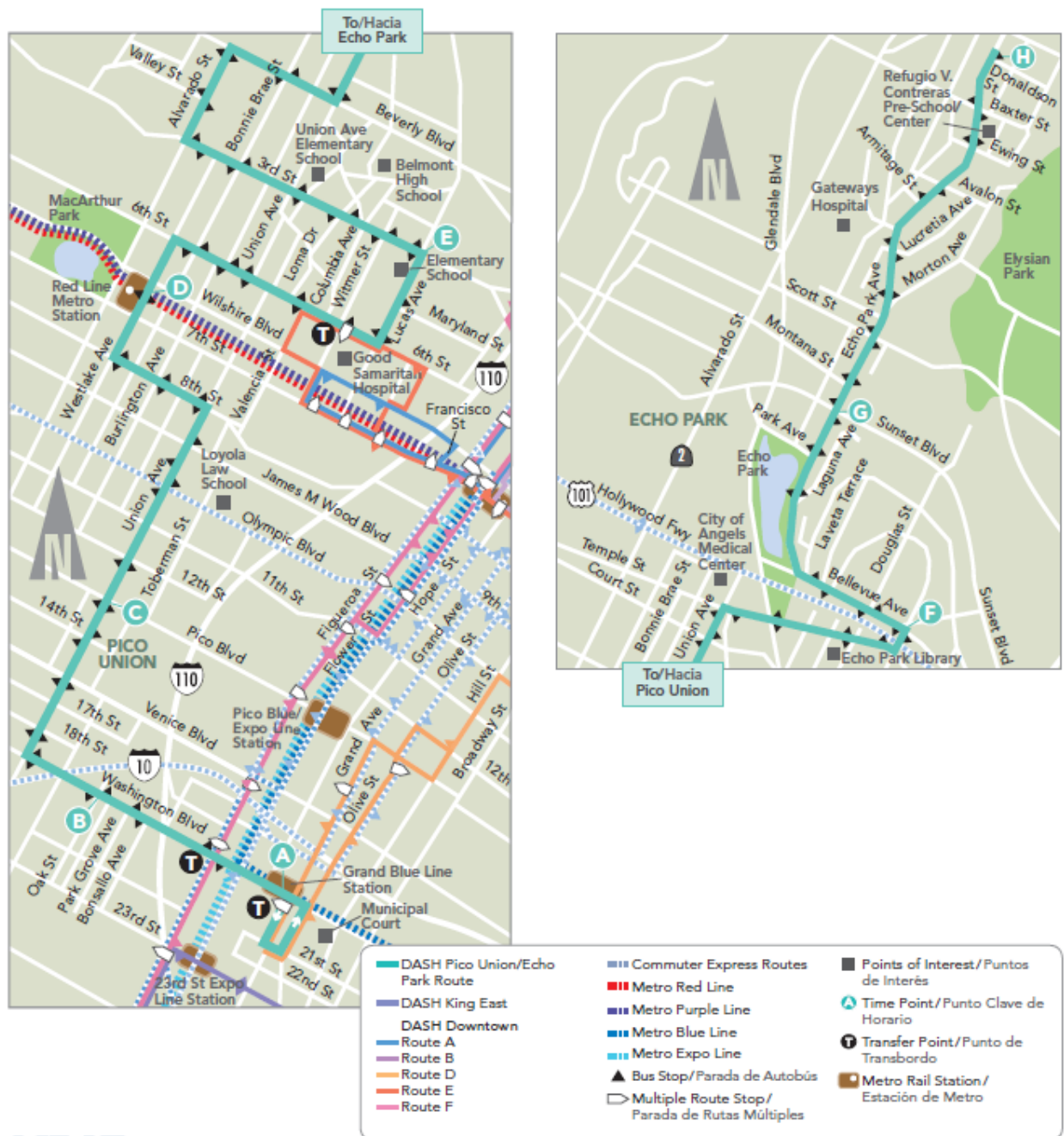
	LADOT								
	FY 14 Line 422	FY 14 Line 601	FY 14 Line 602	FY 15 Line 422	FY 15 Line 601	FY 15 Line 602	FY 16 Line 422	FY 16 Line 601	FY 16 Line 602
Annual Scheduled Revenue Hours	13,877.53	60,013.90	32,489.78	13,537.93	60,013.90	32,558.68	13,598.72	60,234.71	32,702.73
Days of Operation	255 (M-F)	365	365	255 (M-F)	365	365	256 (M-F)	365	365
Service Frequency	10 - 40 mins	10 - 15 mins	M-F 20 mins; Sa & Su 25 mins	AM & PM only	10 - 15 mins	M-F 20 mins; Sa & Su 25 mins	AM & PM only	10 - 15 mins	M-F 20 mins; Sa & Su 25 mins
Span of Service	4:55 am - 9:11 am; 1:55 pm - 8:17 pm	5:00 am - 10:30 pm	M-F 5:30 am - 10:00 p-m; Sa & Su 6:00 am - 10:00 pm	4:55 am - 9:11 am; 1:55 pm - 8:17 pm	5:00 am - 10:30 pm	M-F 5:30 am - 10:00 pm; Sa & Su 6:00 am - 10:00 pm	4:55 am - 9:11 am; 1:55 pm - 8:17 pm	5:00 am - 10:30 pm	M-F 5:30 am - 10:00 pm; Sa & Su 6:00 am - 10:00 pm
Annual Passenger Trips	242,451	2,946,236	802,501	213,027	2,768,573	815,384	186,431	2,629,074	770,376
Boardings per Hour	14	49	25	13	46	25	11	44	24
Cash Fare	\$0.75 to \$3.00 Depending on Zones	\$0.15 to \$0.50 based on Fare Classification	\$0.15 to \$0.50 based on Fare Classification	\$0.15 to \$0.50 based on Fare Classification	\$0.15 to \$0.50 based on Fare Classification	\$0.15 to \$0.50 based on Fare Classification	\$0.15 to \$0.50 based on Fare Classification	\$0.15 to \$0.50 based on Fare Classification	\$0.15 to \$0.50 based on Fare Classification

DASH**BOYLE HEIGHTS/EAST LA**EFFECTIVE FEBRUARY 1, 2017
A PARTIR DEL 1 DE FEBRERO, 2017



PICO UNION/ECHO PARK

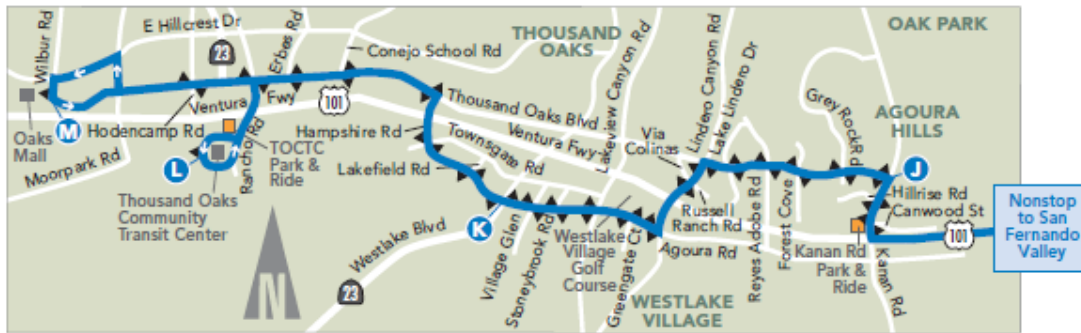
EFFECTIVE FEBRUARY 1, 2017
A PARTIR DEL 1 DE FEBRERO, 2017



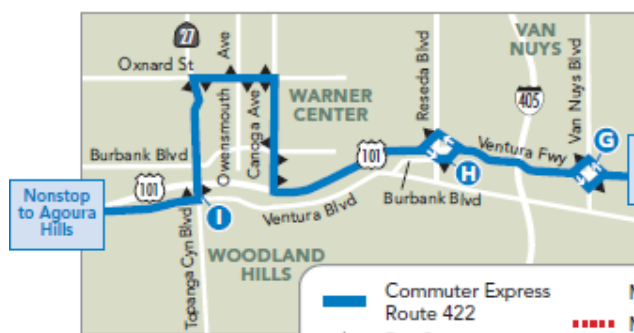
City of Los Angeles
Department of Transportation

(213, 310, 323 or/o 818) 808-2273
www.ladottransit.com

THOUSAND OAKS/AGOURA HILLS



SAN FERNANDO VALLEY



DOWNTOWN LOS ANGELES



- | | |
|----------------------------|--------------------|
| Commuter Express Route 422 | Metro Gold Line |
| Bus Stop | Metro Red Line |
| Drop-off Only | Metro Purple Line |
| Points of Interest | Metro Blue Line |
| Time Point | Metro Expo Line |
| Park and Ride Lot | Metro Silver Line |
| | Metro Rail Station |

PARK & RIDE LOCATIONS

Thousand Oaks Community Transportation Center (TOCTC) Park & Ride
265 S. Rancho Road, Thousand Oaks

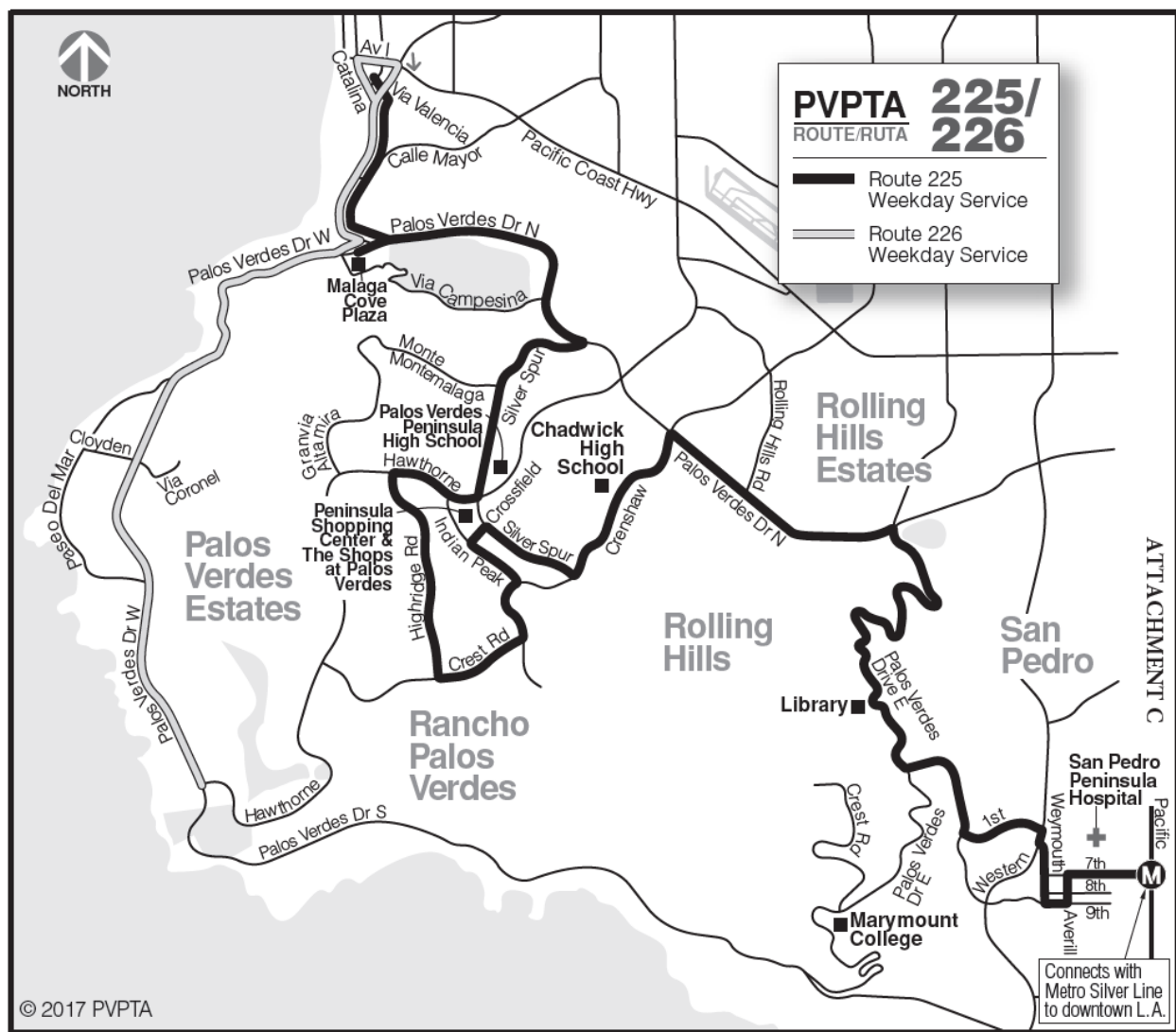
Caltrans Park & Ride
(NW) Canwood and Kanan, Agoura Hills



City of Los Angeles
Department of Transportation

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	PVPTA		
	FY 14 225/226	FY 15 225/226	FY 16 225/226
Annual Scheduled Revenue Hours	6,493	6,521	6,288
Days of Operation	M-F	M-F	M-F
Service Frequency	30-60 Minutes	30-60 Minutes	30-60 Minutes
Span of Service	6:00 am to 7:24 pm	6:00 am to 7:24 pm	6:00 am to 7:24 pm
Annual Passenger Trips	42,035	40,101	34,108
Boardings per Hour	6.47	6.15	5.43
Cash Fare	\$ 2.50	\$ 2.50	\$ 2.50





Board Report

File #: 2017-0301, File Type: Agreement

Agenda Number: 36.

EXECUTIVE MANAGEMENT COMMITTEE JUNE 15, 2017

SUBJECT: 1ST AND LORENA JOINT DEVELOPMENT

ACTION: AUTHORIZE AMENDMENT TO EXTEND EXISTING EXCLUSIVE NEGOTIATING AGREEMENT FOR 24 MONTHS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute an amendment to the Exclusive Negotiations and Planning Agreement with A Community of Friends to extend its term for an additional 24 months, for the joint development of Metro-owned property at 1st and Lorena Street along the Metro Gold Line Eastside Extension.

ISSUE

In June 2016, the LACMTA Board of Directors (Board) authorized a 12-month extension to the Exclusive Negotiations and Planning Agreement (ENA) with A Community of Friends (ACOF) (Developer) for the development of a 49-unit mixed-use affordable housing project (Proposed Project) at 1st and Lorena Street (See Attachment A, Site Map). During this extension term, the Developer has diligently pursued and performed its obligations under the ENA and the proposed project was on track to proceed to the Joint Development Agreement (JDA) phase with Metro by the end of the 12-month extension term. However, in April 2016, a CEQA appeal was filed against the Proposed Project with the City of Los Angeles (City) by an adjacent property owner. After one year, the matter was heard before the City of Los Angeles Planning and Land Use Management (PLUM) Committee on May 16, 2017; however the Committee continued the matter. A date has not been set for when it will be heard again. In light of this appeal, the Developer has requested a one-year extension to the ENA. However, Metro staff believes that in order to have sufficient time to resolve the matter more time is necessary; therefore, staff recommends that the Board authorize an additional extension to the ENA term for a period of 24 months, and grant an exception to the JD Policy's term limit to allow a full ENA term for a period of 72 months.

DISCUSSION

Background

On June 27, 2013, the Developer and Metro entered into the ENA to plan and consider the terms and conditions of a potential Joint Development Agreement (JDA) and Ground Lease (GL) for

development of a transit-oriented mixed-use affordable housing development at 1st and Lorena in Boyle Heights. The term of the original ENA was 18 months. During that timeframe, the Developer advanced the Project through final design, and diligently pursued entitlements including the California Environmental Quality Act (CEQA) approval process and project approval requirements by the City. Community meetings were also held, as well as individual presentations to various community groups. However, additional time was needed to complete the City's entitlement/CEQA review and approval process and to continue the community engagement process. The Board granted an additional 12 months in December 2014 and another 6-month extension in December 2015, and subsequently an additional year in June 2016 to address the CEQA appeal.

When the Board approved the 12-month extension in June 2016, they also granted an exception to the JD Policy to permit a term of 48 months. If the requested extension is provided, the total term of the ENA will be for up to 72 months, requiring another exception to the JD Policy.

During the course of the ENA term to date, the Developer has actively worked to progress the Proposed Project to the JDA stage. Activities included conducting multiple community meetings to further engage the community and obtain their input, securing approval from the Boyle Heights Neighborhood Council (BHNC) as well as the Boyle Heights Design Review Advisory Committee (DRAC) and seeing the Project CEQA process through a final determination. To date, the Council Office for the Boyle Heights community has consistently opposed the proposed mixed-use development, preferring a project with significantly more commercial use. However, during the past year, the Developers have met with the adjacent property owners and the Council Office to address their concerns.

The CEQA appeal was heard at PLUM Committee on May 16, 2017; however, after all the testimony was taken, the Committee continued the matter. The appellant's attorney submitted a letter to the file which the City wants time to review. A date has not been set for when it will be heard again.

The Project

The original project scope included 48 affordable housing units; 24 units for households with special needs and 24 family units, with one manager's unit, and limited ground floor commercial. Since the project's inception, the Developer has been meeting with community stakeholders, and during the ENA extension periods held numerous meetings with stakeholders. In response to stakeholder feedback, the project scope was modified and is now comprised of 24 units of affordable housing for disabled/homeless veterans, 24 units of affordable family housing and 10,000 square feet of ground floor commercial space (see Attachment C Project Scope). Furthermore, in response to additional community feedback, the Developer is exploring including childcare and fitness facilities, and approximately 5,000 square feet of general retail business services. This modified scope, as well as the final design, was presented to the Boyle Heights Neighborhood Council on July 22, 2015. The Council approved the project 15-1. Their testimony spoke to the need for housing for veterans and low income families. Sixty percent of the units will be for individuals/families at 30% Area Median Income (AMI).

Entitlement Status

The City Planning Department issued a Director's Determination dated March 2, 2016 (See Attachment B Director's Determination) approving certain incentives for the Proposed Project, and approving a Mitigated Negative Declaration and corresponding Mitigation Monitoring Program as the Proposed Project's environmental clearance pursuant to CEQA. The deadline to file an appeal to the Director's Determination was March 17, 2016, and no appeal was filed by that date. As such, the Developer filed a Notice of Determination with the County of Los Angeles on March 21, 2016. Thereafter, a CEQA appeal was filed with the City of Angeles by an adjacent property owner on April 20, 2016, and the City has accepted the appeal for hearing.

The CEQA appeal was heard at the PLUM Committee on May 16, 2017; however, after all the testimony was taken, the Committee continued the matter. The appellant's attorney submitted a letter to the file which the City needs time to review. A date has not been set for when it will be heard again. We are recommending a 24-month extension to the ENA to allow time for the resolution of the CEQA matter. Pursuant to state law, staff cannot seek Board authorization of a JDA before CEQA approval has been granted by the City of Los Angeles.

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no impact on safety as it only seeks a time extension for the ENA. No improvements will be constructed during the exclusive negotiations period. An analysis of safety impacts will be completed and submitted to the Board if negotiations result in a JDA and GL.

FINANCIAL IMPACT

Funding for joint development activities is included in the FY18 budget under Project 401020.

Impact to Budget

There is no impact to the FY16-17 budget and staff costs are included in the proposed FY18 budget to negotiate the proposed transaction, supervise any related design, review environmental documents and provide Metro oversight during construction. However, no new capital investment or operating expenses are anticipated to implement this project. Revenues from the Developer deposit will offset continued staff and project related professional services costs.

ALTERNATIVES CONSIDERED

The Board could choose not to extend the ENA term and instead solicit a new developer. Staff does not recommend this alternative due to the current Developer's longstanding commitment to and financial investment in the Proposed Project, substantial progress achieved towards the Proposed Project's development and overall community benefits. Moreover, the Developer has engaged the community, culminating in obtaining approval of the Proposed Project from the BHNC in a 15-1 vote. This project will serve the needs of those with the lowest income - one of the most needed forms of housing in the Boyle Heights community.

NEXT STEPS

Upon approval of the recommended action, staff will prepare and execute an amendment to the ENA providing for a 24-month extension of the term. Staff will continue working with the Developer to finalize negotiations for a JDA and GL, and will present the terms of such agreements to the Board for its consideration following resolution of the CEQA matter.

ATTACHMENTS


Attachment A - Site Map

Attachment B - Director's Determination

Attachment C - Project Scope

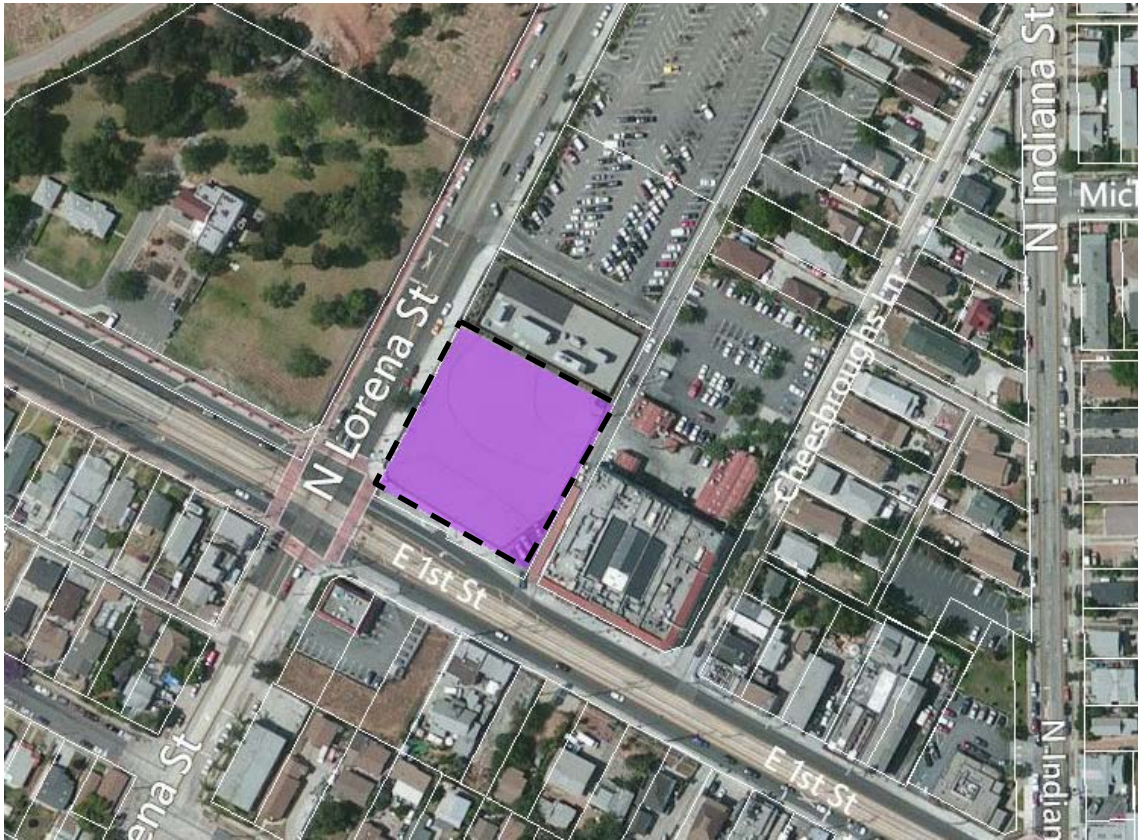
Prepared by: Vivian Rescalvo, Senior Director, 213-922-2563
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Calvin Hollis, Senior Executive Officer, 213-922-7319

Reviewed by: Therese W. McMillan, Chief Planning Officer, (213) 922-7077



Phillip A. Washington
Chief Executive Officer

Site Plan of Proposed Development Project



 Development site

DEPARTMENT OF
CITY PLANNING

CITY PLANNING COMMISSION

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VICE-PRESIDENTROBERT L. AHN
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INFORMATION
<http://planning.lacity.org>DIRECTOR'S DETERMINATION
DENSITY BONUS AFFORDABLE HOUSING INCENTIVES

March 2, 2016

ApplicantDora Leong Gallo
A Community of Friends
3701 Wilshire Blvd., Ste. 700
Los Angeles, CA 90010**Property Owner**METRO
1 Gateway Plaza, Mail Stop 99-23-4
Los Angeles, CA 90012**Representative**Noah Adler
Craig Lawson & Co., LLC
3221 Hutchison Ave., Ste. D
Los Angeles, CA 90034**Case No.** DIR-2015-1998-DB
CEQA: ENV-2014-2392-MND
Location: 3401-3415 E. 1st St. and
116-126 S. Lorena St.**Council District:** 14**Neighborhood Council** Boyle Heights**Community Plan Area:** Boyle Heights**Land Use Designation:** Community Commercial**Zone:** C2-1 and R3-1**Legal Description:** Lots: 19, 20, 21, FR22,
FR23, 24 and 25; Block:
None; Tract: Subdivision
of the Cheesbrough**Last Day to File an Appeal:** March 17, 2016**DETERMINATION – Density Bonus Affordable Housing Incentives**

Pursuant to the Los Angeles Municipal Code (LAMC) Section 12.22 A.25, I have reviewed the proposed project and as the designee of the Director of Planning, I hereby:

Approve the following two Incentives requested by the applicant for a project that will reserve a minimum of 11 percent, or 6 units, of the total 49 dwelling units proposed, for Very Low Income Household occupancy for a period of 55 years, subject to the Conditions of Approval herein.

1. **Height.** A six-foot increase in the transitional height requirement for a portion of the building on the C2-1 zoned lots, allowing 70 feet in height in lieu of the required 64 feet within the distance of 50 to 99 feet from the

easterly property line of the A1-1XL zone along Lorena Street and a six-foot increase in the height requirement for a portion of the building on the R3-1 zoned lots, allowing 51 feet in height in lieu of the required 45 feet.

2. **Averaging of Floor Area Ratio, Density, Parking or Open Space and permitting Vehicular Access.** An averaging of floor area, density, parking, and open space over the project site that consists of seven contiguous parcels and permit vehicular access from a less restrictive zone C2-1 to a more restrictive zone R3-1.

Adopt Mitigated Negative Declaration ENV-2014-2392-MND, and the corresponding Mitigation Monitoring Program (MMP) as the project's environmental clearance pursuant to the California Environmental Quality Act (CEQA) and Section 21082.1(c)(3) of the California Public Resources Code.

Adopt the attached Findings.

CONDITIONS OF APPROVAL

1. **Site Development.** Except as modified herein, the project shall be in substantial conformance with the plans and materials submitted by the applicant, stamped "Exhibit A," and attached to the subject case file. No change to the plans will be made without prior review by the Department of City Planning, Project Planning Division, and written approval by the Director of Planning. Each change shall be identified and justified in writing. Minor deviations may be allowed in order to comply with the provisions of the Los Angeles Municipal Code or the project conditions.
2. **Residential Density.** The project shall be limited to a maximum density of 49 dwelling units.
3. **Restricted Affordable Units.** A minimum of 11 percent, or 6 units, of the total 49 dwelling units of the project, shall be reserved for habitation by Very Low Income Households, as defined by the State Density Bonus Law 65915 (C)(2).
4. **Changes in Restricted Affordable Units.** Deviations that increase the number of restricted affordable units or that change the composition of units or change parking numbers shall be consistent with LAMC Section 12.22 A.25 (9a-d).
5. **Housing Requirements.** Prior to issuance of a building permit, the owner shall execute a covenant to the satisfaction of the Los Angeles Housing and Community Investment Department (HCIDLA) to make six units available to Very Low Income Households for sale or rental, as determined to be affordable to such households by HCIDLA for a period of 55 years. Enforcement of the terms of said covenant shall be the responsibility of HCIDLA. The applicant will present a copy of the recorded covenant to the Department of City Planning for inclusion in this file. The project shall comply with any monitoring requirements established by the HCIDLA. Refer to the Density Bonus Legislation Background section of this determination.
6. **Height.** The building height on the R3-1 zoned lots shall be limited to a maximum of 51 feet. The building height on the C2-1 zoned lots shall be limited to a maximum of 70 feet.

(NOTE: The project is permitted a maximum height incentive of 11 feet for setting aside 11 percent of the dwelling units for habitation by Very Low Income Households. A clarification of this Letter of Determination will be required in the event the applicant increases the building height.)

7. **Averaging of Floor Area Ratio, Density, Parking or Open Space and Permitting Vehicular Access.** The project is permitted to average the floor area, density, open space and parking over the project site that consists of seven contiguous parcels, and vehicular access from a less restrictive zone C2-1 to a more restrictive zone R3-1 shall be permitted, provided that:
 - a. A minimum of 11 percent of the total dwelling units restricted to Very Low Income Households; and
 - b. The proposed use is permitted by the underlying zones of each parcel; and
 - c. No further lot line adjustment or any other action that may cause the project site to be subdivided subsequent to this grant shall be permitted.
8. **Residential Automobile Parking.** Vehicle parking for Restricted Affordable Units shall be provided consistent with LAMC Section 12.22 A.25, Parking Option 2, which permits one

parking space for each Restricted Affordable Unit, except that Restricted Affordable Units that are set aside for Low or Very Low Senior Citizens and/or Disabled Persons may provide one-half parking space per unit and Restricted Affordable Units within a Residential Hotel may provide one-quarter parking space per unit. The applicant proposes to set aside 48 Restricted Affordable Units, of which 24 units are set aside for Very Low Income Households and 24 units are set aside for Very Low Income Disabled Persons. A minimum of 36 parking spaces shall be provided for the 48 Restricted Affordable Units. The project will contain one market rate two-bedroom unit. Parking spaces for all other non-restricted units, including any manager's units, shall be provided pursuant to LAMC Section 12.21.

9. **Commercial and Retail Automobile Parking.** Parking spaces for commercial and retail uses shall be provided pursuant to LAMC Section 12.21. The Parking Plan shall indicate parking space allocation for commercial/retail and residential uses. Parking spaces for commercial and retail uses shall not be located on R3-1 zoned lots, consistent with Condition of Approval Number 7.b.
10. **Adjustment of Parking.** In the event that the number of Restricted Affordable Units should increase, or the composition of such units should change (i.e. the number of bedrooms or the number of units made available to Senior Citizens and/or Disabled Persons), or the applicant selects another Parking Option (including Bicycle Parking Ordinance) and no other Condition of Approval or incentive is affected, then no modification of this determination shall be necessary, and the number of parking spaces shall be re-calculated by the Department of Building and Safety based upon the ratios set forth above.
11. **Bicycle Parking.** Bicycle parking shall be provided consistent with LAMC 12.21 A.16.

Environmental Mitigation Conditions

12. **Hazardous Materials.** Pursuant to the Los Angeles Building Code, the Applicant will engage in the Construction Site Plan Review (CSPR) process with the California Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR). The CSPR process includes, but is not limited to locating, excavating, and conducting a methane leak test on the well, providing DOGGR with a site plan indicating the footprint of the proposed structure and well location, and provide DOGGR with a well evaluation and work plan to re-abandon the well, as necessary.
13. **Public Services (Fire Protection).** The following recommendations of the Fire Department relative to fire safety shall be incorporated into the building plans, which includes the submittal of a plot plan for approval by the Fire Department either prior to the recordation of a final map or the approval of a building permit. The plot plan shall include the following minimum design features: fire lanes, where required, shall be a minimum of 20 feet in width; all structures must be within 300 feet of an approved fire hydrant, and entrances to any dwelling unit or guest room shall not be more than 150 feet in distance in horizontal travel from the edge of the roadway of an improved street or approved fire lane.
14. **Public Services (Police).** The plans shall incorporate the Design Guidelines (defined in the following sentence) relative to security, semi-public and private spaces, which may include

but not be limited to access control to building, secured parking facilities, walls/fences with key systems, well-illuminated public and semi-public space designed with a minimum of dead space to eliminate areas of concealment, location of toilet facilities or building entrances in high-foot traffic areas, and provision of security guard patrol throughout the Project Site if

needed. Please refer to "Design Out Crime Guidelines: Crime Prevention Through Environmental Design," published by the Los Angeles Police Department. These measures shall be approved by the Police Department prior to the issuance of building permits.

Administrative Conditions

15. **Final Plans.** Prior to the issuance of any building permits for the project by the Department of Building & Safety, the applicant shall submit all final construction plans that are awaiting issuance of a building permit by the Department of Building & Safety for final review and approval by the Department of City Planning. All plans that are awaiting issuance of a building permit by the Department of Building & Safety shall be stamped by Department of City Planning staff "Final Plans". A copy of the Final Plans, supplied by the applicant, shall be retained in the subject case file.
16. **Notations on Plans.** Plans submitted to the Department of Building & Safety, for the purpose of processing a building permit application shall include all of the Conditions of Approval herein attached as a cover sheet, and shall include any modifications or notations required herein.
17. **Approval, Verification and Submittals.** Copies of any approvals, guarantees or verification of consultations, review of approval, plans, etc., as may be required by the subject conditions, shall be provided to the Department of City Planning prior to clearance of any building permits, for placement in the subject file.
18. **Code Compliance.** Use, area, height, and yard regulations of the zone classification of the subject property shall be complied with, except where granted conditions differ herein.
19. **Department of Building & Safety.** The granting of this determination by the Director of Planning does not in any way indicate full compliance with applicable provisions of the Los Angeles Municipal Code Chapter IX (Building Code). Any corrections and/or modifications to plans made subsequent to this determination by a Department of Building & Safety Plan Check Engineer that affect any part of the exterior design or appearance of the project as approved by the Director, and which are deemed necessary by the Department of Building & Safety for Building Code compliance, shall require a referral of the revised plans back to the Department of City Planning for additional review and sign-off prior to the issuance of any permit in connection with those plans.
20. **Indemnification and Reimbursement of Litigation Costs.**

Applicant shall do all of the following:

- a) Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of, in whole or in part, the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside, void, or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions, or to claim personal property damage, including from inverse condemnation or any other constitutional claim.
- b) Reimburse the City for any and all costs incurred in defense of an action related to or arising out of, in whole or in part, the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages, and/or settlement costs.

- c) Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$25,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (b).
- d) Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (b).
- e) If the City determines it necessary to protect the City's interest, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action, or proceeding in a reasonable time, or if the City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not relieve the applicant of any obligation imposed by this condition. In the event the Applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

"City" shall be defined to include the City, its agents, officers, boards, commissions, committees, employees, and volunteers.

"Action" shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims, or lawsuits. Actions includes actions, as defined herein, alleging failure to comply with any federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the Applicant otherwise created by this condition.

PROJECT BACKGROUND

The proposed project involves the construction of an approximately 90,000-square-foot mixed-use development containing 10,000 square feet of commercial/retail space and 49 dwelling units consisting of 1 market-rate unit, 24 units reserved for Very Low Income Households, and 24 units reserved for Very Low Income Disabled Persons. The proposed building will vary in height, ranging from four stories, or 51 feet, on the R3-1 zoned lots to five stories, or 70 feet, on the C2-1 zoned lots. All parking spaces will be located in a single-level semi-subterranean parking garage, which will be accessible via an ingress and egress driveway on Lorena Street. Commercial loading access will be provided along the alley located to the east of the project site, perpendicular to East 1st Street. The main pedestrian entrance to the retail uses will be provided along East 1st Street. The primary entrance to the residential use will be through the residential lobby fronting on Lorena Street, and a secondary entrance will be provided on East 1st Street.

The project site is located within the Boyle Heights Community Plan area. The project site consists of seven lots, comprising approximately 55,153 square feet of lot area. Lots 19-21, fronting on Lorena Street, are zoned R3-1 and designated for Community Commercial General Plan Land Uses. Lots FR22, FR23, 24, and 25, fronting on East 1st Street, are zoned C2-1 and designated for Community Commercial General Plan Land Uses.

In accordance with California State Law (including Senate Bill 1818, and Assembly Bills 2280 and 2222), the applicant is proposing to utilize Section 12.22 A.25 (Density Bonus Ordinance) of the Los Angeles Municipal Code (LAMC), which permits a density bonus of up to 35 percent based on the percentage of total dwelling units set aside for habitation by Low, Very Low, and/or Moderate Income households for a period of 55 years. A 35 percent density bonus would allow for 49 dwelling units in lieu of the 36 by-right dwelling units on the R3-1 zoned lots and 95 dwelling units in lieu of the 70 by-right units on C2-1 zoned lots, totaling 144 dwelling units. However, the applicant is proposing 49 dwelling units, which is less than the allowable by-right density.

Consistent with the Density Bonus Ordinance, the applicant is granted a reduction in required parking spaces based on two Parking Options. The applicant selected Parking Option 2, which requires 0.5 parking space per dwelling unit for the proposed 24 units restricted to Very Low Income Disabled Persons and one parking space per dwelling unit for the proposed 24 units set aside for habitation by Very Low Income Households. In total, the applicant is required to provide 36 parking spaces for the 48 Restricted Affordable Units. The non-restricted units and commercial and retail uses in the project are required to comply with the automobile parking provisions of LAMC Section 12.21.

Housing Replacement

With Assembly Bill 2222, applicants of Density Bonus projects filed as of January 1, 2015 must demonstrate compliance with the housing replacement provisions, which require replacement of rental dwelling units that either exist at the time of application of a Density Bonus project or have been vacated or demolished in the five-year period preceding the application of the project. This applies to all pre-existing units that have been subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income; are subject to any other form of rent or price control; or are occupied by Low or Very Low Income Households. Pursuant to the Determination made by the Housing and Community Investment Department (HCIDLA) dated October 15, 2015, no units will need to be replaced with units affordable to Low or Very Low Income Households as there were no residential units on the property for the last five years. [Refer to the Density Bonus Legislation Background section of this determination for additional information.]

Los Angeles Municipal Code Criteria

Pursuant to LAMC Section 12.22 A.25 (e)(2), in order to be eligible for any on-menu incentives, a Housing Development Project (other than an Adaptive Reuse Project) shall comply with the following criteria, which it does:

- a. *The façade of any portion of a building that abuts a street shall be articulated with a change of material or a break in plane, so that the façade is not a flat surface.*

The proposed building has a street frontage along Lorena Street and one along East 1st Street. Both facades will be articulated with a change of material, including plastic composite panel screens, metal panel cladding, and cement plaster. The building facades will incorporate perforated sheet metal guardrails and metal guardrails with glass panels, which contributes to a break in plane and modulation. The facades will have various colors, which will further accentuate the architecture and articulation. Therefore, as evident in Exhibit A, attached to the case file, the building facades will be articulated with a change of material and a break in plane.

- b. *All buildings must be oriented to the street by providing entrances, windows architectural features and/or balconies on the front and along any street facing elevation.*

The proposed building is located on a corner lot, providing two street frontages along Lorena Street and East 1st Street. Pedestrian entrances are located on both streets. Residential entry is located on Lorena Street and is highlighted with a metal canopy above the entrance. The project proposes commercial spaces on the ground floor with large storefronts facing the streets, creating a pedestrian-friendly environment. The building will have projecting balconies and canopies above windows on both street frontages. Therefore, entrances, windows, architectural features and balconies are located on the front and along the street-facing elevations, and the proposed building is oriented to the streets.

- c. *The Housing Development Project shall not involve a contributing structure in a designated Historic Preservation Overlay Zone (HPOZ) and shall not involve a structure that is a City of Los Angeles designated Historic-Cultural Monument (HCM).*

The proposed project is not located within a designated Historic Preservation Overlay Zone, nor does it involve a property that is designated as a City Historic-Cultural Monument.

- d. *The Housing Development Project shall not be located on a substandard street in a Hillside Area or in a Very High Fire Hazard Severity Zone as established in Section 57.25.01 of the LAMC.*

The project fronts on 1st Street, which is designated as a Avenue II, per the Mobility Plan 2035 of the City of Los Angeles General Plan. Standard Local Streets have a standard right-of-way width of 60 feet and roadway width of 36 feet. Therefore, the project is not located on a substandard street, which is a street with a width less than 36 feet and paved to a roadway width of less than 28 feet. The project is not located in a Hillside Area, nor is it located in a Very High Fire Hazard Severity Zone.

DENSITY BONUS/AFFORDABLE HOUSING INCENTIVES COMPLIANCE FINDINGS

1. Pursuant to Section 12.22 A.25(c) of the LAMC, the Director **shall approve** a density bonus and requested incentive(s) unless the director finds that:
 - a. *The incentives are not required to provide for affordable housing costs as defined in California Health and Safety Code Section 50052.5 or Section 50053 for rents for the affordable units.*

The record does not contain substantial evidence that would allow the Director to make a finding that the requested incentives are not necessary to provide for affordable housing costs per State Law. The California Health & Safety Code Sections 50052.5 and 50053 define formulas for calculating affordable housing costs for Very Low, Low, and Moderate Income households. Section 50052.5 addresses owner-occupied housing and Section 50053 addresses rental households. Affordable housing costs are a calculation of residential rent or ownership pricing not to exceed 25 percent gross income based on area median income thresholds dependent on affordability levels.

The list of on-menu incentives in 12.22 A.25 was pre-evaluated at the time the Density Bonus Ordinance was adopted to include types of relief that minimize restrictions on the size of the project. As such, the Director will always arrive at the conclusion that the density bonus on-menu incentives are required to provide for affordable housing costs because the incentives by their nature increase the scale of the project.

The applicant is requesting two on-menu incentives that will facilitate the provision of affordable housing at the site. These incentives permit exceptions to zoning requirements that result in building design or construction efficiencies that provide for affordable housing costs and allow the developer to expand the building envelope so the additional units can be constructed and the overall space dedicated to residential uses is increased. These incentives support the applicant's decision to set aside Very Low Income dwelling units for 55 years.

Height

The project qualifies for an increase in the height requirement, as the project site is not located within 15 feet of a lot classified in the R2 zone, within 50 feet of a lot classified in an R1 or more restrictive residential zone, or on a lot sharing a common lot line with or across an alley from a lot classified in an R1 or more restrictive zone.

The project site has two zoning designations and is subject to varying height restrictions. A portion of the building on the R3-1 zoned lots is limited to a maximum height of 45 feet. The applicant requests a six-foot increase in the allowable building height to permit 51 feet in lieu of the required 45 feet on the R3-1 zoned lots.

A commercial zoned property in Height District No. 1 does not have a height restriction. However, portions of buildings on a C zoned lot are subject to the transitional height limits when located within specific distances from a RW1 or more restrictive zoned lot, except when the highest elevation of the RW1 or more restrictive zoned property exceeds the grade of the C zoned property by more than feet, the building on the C zoned property may exceed the height limit by the difference in grade.

Some portions of the proposed building on the C2-1 zoned lots are located within 199 feet from the A1-1XL zoned property that is currently improved with a cemetery and are therefore subject to the transitional height limits. However, the highest elevation of the A1-1XL zoned lot exceeds the grade of the C2-1 zoned lots by significantly more than

five feet, as measured in the attached Survey. Portions of the building on these C2-1 zoned lots are therefore allowed to exceed the transitional height limits by the difference in grade, which is 31 feet. The applicant requests a six-foot increase in the height to permit 70 feet in lieu of the required 64 feet (including the 31-foot difference in grade) within the distance of 50 to 99 feet from the cemetery. The height requirement, Density Bonus height incentive, and proposed building height are summarized in Table 1 below.

Table 1. Height Requirement and Proposed Building Height on C2-1 Zoned Lots

Distance¹	Transitional Height Requirement	Height Adjustment per the Exception²	Density Bonus Height Incentive	Maximum Height Allowed	Proposed Height
0 - 49'	25'	31'	11'	67'	N/A
50 - 99'	33'	31'	11'	75'	70'
100 - 199'	61'	31'	11'	103'	70'

Averaging of Floor Area Ratio, Density, Parking or Open Space and Permitting Vehicular Access

The project site consists of two zones, which have different requirements for floor area ratio (FAR), density, parking, open space, and vehicular access. The C2-1 zone allows a 1.5:1 FAR, and the R3-1 zone allows a 3:1 FAR. Based on the buildable area and FAR for each zone, the FAR averaging permits a total of 102,203 square feet to be allocated to the entire project site (see Table 2).

C2-1 zone requires the density of a R4 zone (400 square feet of lot area per dwelling unit) for portions of buildings used for residential purposes. The allowable density for R3-1 zone is 800 square feet of lot area per dwelling unit. Based on the lot area, including the one-half alley, the C2-1 zone permits 70 dwelling units by right, and the R3-1 zone permits 36 units by right, totaling 106 dwelling units. The project proposes 49 units, which is less than the maximum permitted in each zone individually as well as throughout the entire project site.

Table 2 summarizes the requirement for floor area ratio (FAR) and density.

	C2-1 Requirements	R3-1 Requirements	Total Allowed	Proposed
FAR	22,677 SF Buildable Area x 1.5 FAR = 34,016 SF	22,729 SF Buildable Area x 3 FAR = 68,187 SF	102,203 SF	90,000 SF
Density	27,961 SF / 400 SF Lot Area = 70 Units	29,025 SF / 800 SF Lot Area = 36 Units	106 Units	49 Units

¹ Distance is measured from the easterly property line of the A1-1XL zoned lots (Evergreen Cemetery), located to the west of the project site, across Lorena Street.

² Difference in grade measured from the grade of the existing building on the A1-1XL zoned lots to the grade of the proposed building on the C2-1 zoned lots.

The averaging of parking and open space also allows the project to be allocated to the entire project site. The project will provide a minimum of 6,176 square feet of open space based on the number of dwelling units and bedrooms proposed. The proposed open space is dispersed throughout the project site. Based on the number and Restricted

Affordable Unit types proposed, the applicant is required to provide 36 parking spaces for the Restricted Affordable Units. The project proposes one market-rate unit and 10,000 square feet of retail space, which are conditioned to comply with the parking requirements pursuant to LAMC Section 12.21.

Pursuant to the Density Bonus Ordinance, the project shall meet three conditions in order to request an on-menu incentive to average and permit vehicular access. First, the proposed use shall be permitted by the underlying zone of each parcel. Commercial parking is not an allowed use in a residential zone, and therefore, the project is conditioned to limit commercial parking in the R3-1 zoned lots. Second, the project is required to include 11 percent or more of the units as Restricted Affordable Units for Very Low Income households, or 20 percent of the units for Low Income households, or 30 percent of the units for Moderate Income households for requesting this incentive. The Density Bonus Ordinance requires projects requesting two on-menu incentives to set aside a minimum of 10 percent of dwelling units for habitation by Very Low Income Households. However, the project is conditioned to set aside a minimum of 11 percent, rather than 10 percent, in order to grant the requested on-menu incentive to average floor area, density, parking, and open space and permit vehicular access. Lastly, no further lot line adjustment or any other action that may cause the project site to be subdivided subsequent to the grant of the on-menu incentive shall be permitted. The project is conditioned to meet these requirements for the requested on-menu incentive.

The project proposes one level of semi-subterranean parking garage that will provide parking spaces for both residential and commercial/retail uses. The garage design and circulation requires vehicles to traverse from the less restrictive C2 zone to the more restrictive R3 zone, which is permitted with the approval of this on-menu incentive.

- b. The Incentive will have specific adverse impact upon public health and safety or the physical environment, or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to Very Low, Low and Moderate Income households. Inconsistency with the zoning ordinance or the general plan land use designation shall not constitute a specific, adverse impact upon the public health or safety.*

There is no evidence that the proposed incentive will have a specific adverse impact. A "specific adverse impact" is defined as, "a significant, quantifiable, direct and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete" (LAMC Section 12.22.A.25(b)). The proposed project and potential impacts were analyzed in accordance with the City's California Environmental Quality Act (CEQA) Guidelines and the City's L.A. CEQA Thresholds Guide. These two documents establish guidelines and thresholds of significant impact, and provide the data for determining whether or not the impacts of a proposed project reach or exceed those thresholds. Analysis of the proposed project involved the preparation of a Mitigated Negative Declaration (MND) (ENV-2014-2392-MND), and it was determined that the proposed Project may have an impact on the following environmental factors: hazards and hazardous materials and public services.

Mitigation measures will reduce impacts to less than significant and are imposed as Conditions of Approval herein (Conditions 13 through 15). The Mitigation Monitoring Program (MMP) is a document that is separate from the MND and is prepared and adopted as part of the project's approval. Section 21081.6 of the Public Resources

Code requires a Lead Agency to adopt a "reporting or monitoring program for the changes made to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment." In addition to the mitigation measures required of the project and any proposed project design features, the applicant shall adhere to any applicable Regulatory Compliance Measures (RCM) required by existing law. Therefore, there is no substantial evidence that the proposed project will have a specific adverse impact on the physical environment, on public health and safety, and on property listed in the California Register of Historic Resources.

The Initial Study and MND was circulated for public review from September 24, 2015 to October 14, 2015. During the review period, the Department of City Planning received two comment letters from Los Angeles Unified School District and a public member. Comments and concerns received during the circulation are addressed in the Response to Comments document, prepared by Meridian Consultants on October 26, 2015, and through mitigation measures identified as Conditions 13, 14, and 15 in this Determination Letter.

DENSITY BONUS LEGISLATION BACKGROUND

The California State Legislature has declared that "[t]he availability of housing is of vital statewide importance," and has determined that state and local governments have a responsibility to "make adequate provision for the housing needs of all economic segments of the community." Section §65580, subds. (a), (d). Section 65915 further provides that an applicant must agree to, and the municipality must ensure, the "continued affordability of all Low and Very Low Income units that qualified the applicant" for the density bonus.

With Senate Bill 1818 (2004), state law created a requirement that local jurisdictions approve a density bonus and up to three "concessions or incentives" for projects that include defined levels of affordable housing in their projects. In response to this requirement, the City created an ordinance that includes a menu of incentives (referred to as "on-menu" incentives) comprised of eight zoning adjustments that meet the definition of concessions or incentives in state law (California Government Code Section 65915). The eight on-menu incentives allow for: 1) reducing setbacks; 2) reducing lot coverage; 3) reducing lot width, 4) increasing floor area ratio (FAR); 5) increasing height; 6) reducing required open space; 7) allowing for an alternative density calculation that includes streets/alley dedications; and 8) allowing for "averaging" of FAR, density, parking or open space. In order to grant approval of an on-menu incentive, the City utilizes the same findings contained in state law for the approval of incentives or concessions.

California State Assembly Bill 2222 went into effect January 1, 2015, and with that Density Bonus projects filed as of that date must demonstrate compliance with the housing replacement provisions which require replacement of rental dwelling units that either exist at the time of application of a Density Bonus project, or have been vacated or demolished in the five-year period preceding the application of the project. This applies to all pre-existing units that have been subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income; subject to any other form of rent or price control (including Rent Stabilization Ordinance); or is occupied by Low or Very Low Income Households (i.e., income levels less than 80 percent of the area median income [AMI]). The replacement units must be equivalent in size, type, or both and be made available at affordable rent/cost to, and occupied by, households of the same or lower income category as those meeting the occupancy criteria. Prior to the issuance of any Director's Determination for Density Bonus and Affordable Housing Incentives, the Housing and Community Investment Department (HCIDLA) is responsible for providing the Department of City Planning, along with the applicant, a determination letter addressing replacement unit requirements for individual projects. The City also requires a Land Use Covenant recognizing the conditions be filed with the County of Los Angeles prior to granting a building permit on the project.

Assembly Bill 2222 also increases covenant restrictions from 30 to 55 years for projects approved after January 1, 2015. This determination letter reflects these 55 year covenant restrictions.

Under Government Code Section § 65915(a), § 65915(d)(2)(C) and § 65915(d)(3) the City of Los Angeles complies with the State Density Bonus law by adopting density bonus regulations and procedures as codified in Section 12.22 A.25 of the Los Angeles Municipal Code. Section 12.22 A.25 creates a procedure to waive or modify zoning code standards which may prevent, preclude or interfere with the effect of the density bonus by which the incentive or concession is granted, including legislative body review. The Ordinance must apply equally to all new residential development.

In exchange for setting aside a defined number of affordable dwelling units within a development, applicants may request up to three incentives in addition to the density bonus and parking relief which are permitted by right. The incentives are deviations from the City's development standards,

thus providing greater relief from regulatory constraints. Utilization of the Density Bonus/Affordable Housing Incentives Program supersedes requirements of the Los Angeles Municipal Code and underlying ordinances relative to density, number of units, parking, and other requirements relative to incentives, if requested.

For the purpose of clarifying the Covenant Subordination Agreement between the City of Los Angeles and the United States Department of Housing and Urban Development (HUD) note that the covenant required in the Conditions of Approval herein shall prevail unless pre-empted by State or Federal law.

FINANCIAL ANALYSIS/PRO-FORMA

Pursuant to the Affordable Housing Incentive Density Bonus provisions of the LAMC (Section 12.22 A.25), proposed projects that involve on-menu incentives are required to complete the Department's Master Land Use Permit Application form, and no supplemental financial data is required. The City typically has the discretion to request additional information when it is needed to help make required findings. However, the City has determined that the level of detail provided in a pro forma is not necessary to make the findings for on-menu incentives. This is primarily because each of the City's eight on-menu incentives provides additional buildable area, which, if requested by a developer, can be assumed to provide additional project income and therefore provide for affordable housing costs. When the menu of incentives was adopted by ordinance, the impacts of each were assessed in proportion to the benefits gained with a set-aside of affordable housing units. Therefore, a pro-forma illustrating construction costs and operating income and expenses is not a submittal requirement when filing a request for on-menu incentives. The City's Density Bonus Ordinance requires "a pro forma or other documentation" with requests for off-menu incentives but has no such requirement for on-menu requests.

TIME LIMIT – OBSERVANCE OF CONDITIONS

All terms and conditions of the Director's Determination shall be fulfilled before the use may be established. Pursuant to LAMC Section 12.25 A.2, the instant authorization is further conditional upon the privileges being utilized within **three years** after the effective date of this determination and, if such privileges are not utilized, building permits are not issued, or substantial physical construction work is not begun within said time and carried on diligently so that building permits do not lapse, the authorization shall terminate and become void.

TRANSFERABILITY

This determination runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent that you advise them regarding the conditions of this grant. If any portion of this approval is utilized, then all other conditions and requirements set forth herein become immediately operative and must be strictly observed.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any condition of this grant is violated or not complied with, then the applicant or his successor in interest may be prosecuted for violating these conditions the same as for any violation of the requirements contained in the Municipal Code, or the approval may be revoked.

Section 11.00 of the LAMC states in part (m): "It shall be unlawful for any person to violate any provision or fail to comply with any of the requirements of this Code. Any person violating any of the provisions or failing to comply with any of the mandatory requirements of this Code shall be guilty of a misdemeanor unless that violation or failure is declared in that section to be an infraction. An infraction shall be tried and be punishable as provided in Section 19.6 of the Penal Code and the provisions of this section. Any violation of this Code that is designated as a misdemeanor may be charged by the City Attorney as either a misdemeanor or an infraction.

Every violation of this determination is punishable as a misdemeanor unless provision is otherwise made, and shall be punishable by a fine of not more than \$1,000 or by imprisonment in the County Jail for a period of not more than six months, or by both a fine and imprisonment."

APPEAL PERIOD - EFFECTIVE DATE

The Determination in this matter will become effective and final fifteen (15) days after the date of mailing of the Notice of Director's Determination unless an appeal there from is filed with the City Planning Department. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of this Determination, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. Forms are available on-line at www.cityplanning.lacity.org.

Planning Department public offices are located at:

Downtown Office
Figuerola Plaza
201 North Figuerola Street, 4th Floor
Los Angeles, CA 90012
(213) 482-7077

Valley Office
Marvin Braude Constituent Service Center
6262 Van Nuys Boulevard, Suite 251
Van Nuys, CA 91401
(818) 374-5050

Only an applicant or any owner or tenant of a property abutting, across the street or alley from, or having a common corner with the subject property can appeal this Density Bonus Compliance Review Determination. Per the Density Bonus Provision of State Law (Government Code Section §65915) the Density Bonus increase in units above the base density zone limits and the appurtenant parking reductions are not a discretionary action and therefore cannot be appealed. Only the requested incentives are appealable. Per Section 12.22 A.25 of the LAMC, appeals of Density Bonus Compliance Review cases are heard by the City Planning Commission.

Verification of condition compliance with building plans and/or building permit applications are done at the Development Services Center of the Department of City Planning at either Figuerola Plaza in Downtown Los Angeles or the Marvin Braude Constituent Service Center in the Valley. In order to assure that you receive service with a minimum amount of waiting, applicants are encouraged to schedule an appointment with the Development Services Center either by calling (213) 482-7077, (818) 374-5050, or through the Department of City Planning website at <http://cityplanning.lacity.org>. The applicant is further advised to notify any consultant representing you of this requirement as well.

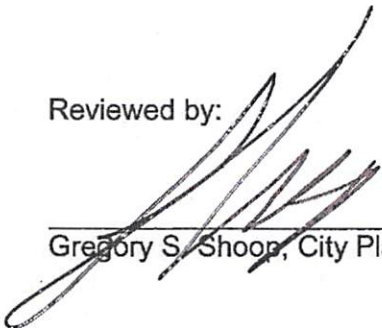
The time in which a party may seek judicial review of this determination is governed by California Code of Civil Procedures Section 1094.6. Under that provision, a petitioner may seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, only if the petition for writ of mandate pursuant to that section is filed no later than the 90th day following the date on which the City's decision becomes final.

Vincent P. Bertoni, AICP
Director of Planning

Approved by:


Blake Lamb, Senior Planner

Reviewed by:


Gregory S. Shoop, City Planner

Prepared by:


Nuri Cho, Planning Assistant
Nuri.Cho@lacity.org

Project Scope



Project Description:

- > 48 affordable housing units
 - 24 units for disabled homeless veterans
 - 24 units affordable family housing
- > 10,000 sq. ft. retail space
- > 66 parking spaces
 - 35 residential
 - 20 commercial

Developer: A Community of Friends (ACOF)



Board Report

File #: 2017-0338, **File Type:** Informational Report

Agenda Number: 39.

REVISED
CONSTRUCTION COMMITTEE
JUNE 15, 2017

SUBJECT: Foothill Gold Line Extension Phase 2B

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. APPROVING a Life of Project Budget for the Foothill Gold Line Extension Phase 2B Light Rail Project in the amount of \$1,406,870,758.
- B. AUTHORIZING the Chief Executive Officer to enter into a Project Funding Agreement (Attachment A) with the Foothill Gold Line Extension Construction Authority including provisions to apply for \$249.2 million in Transit and Intercity Rail Capital Program funds as a Metro priority.
- C. AUTHORIZING the Chief Executive Officer to enter into a Master Cooperative Agreement (Attachment B) with the Gold Line Foothill Extension Construction Authority.

ISSUE

Foothill Gold Line Extension Phase 2B has advanced Preliminary Engineering based on their Certified Final Environmental Impact Report for the 12.3 mile alignment from Glendora to Claremont. The Project includes stations and parking facilities in each of the six cities along the alignment and shares right of way with Southern California Regional Rail Authority (Metrolink) and the Burlington Northern Santa Fe (BNSF) freight line.

The original cost estimates identified in the Measure M expenditure plan for this project were completed based on the environmental document and preliminary planning concepts. As preliminary engineering has advanced, the project alignment, station and parking facilities, grade crossing improvements as well as adjusting track alignments associated with the freight and Metrolink lines have added scope and schedule to the project.

Award of the first of two Design-Build Contracts for advanced utility relocation for the Project is scheduled to be released in October - November 2017 with the primary Mainline Design-Build Contract for the Project scheduled to be released about a year later in December 2018. In order for the Design-Build Contracts to be awarded and the Project to proceed, establishment and authorization of a Life of Project Budget, a Funding Agreement and a Master Cooperative Agreement are critical.

A detailed Funding Agreement and a Master Cooperative Agreement define the roles, responsibilities and processes that are needed for Metro to fund the project and work productively with the Construction Authority. These Agreements set the foundation for identifying and implementing a detailed budget and means of disbursement, tracking and management of the funds, safety and quality throughout the course of the design-build project.

Construction Authority desires that the Project extend into San Bernardino and terminate at the proposed Montclair station (the "Montclair Extension"). However, the attached Funding Agreement and the Master Cooperative Agreement do not fund and do not recognize the Montclair Extension as part of the Project. We will return to this Board for authority before any portion of the funds provided under the Funding Agreement can be used on the Montclair Extension.

BACKGROUND

Funding Agreement

In March 2016 the Board approved the release of the Draft Potential Ballot Measure Expenditure Plan that defines funding from the Measure M Ordinance to be allocated to the Foothill Gold Line Phase 2B Project (the Project) in the amount of \$1,019,000,000. In addition, funding of \$78,000,000 from Local, State, Federal and Other sources was shown for reference purposes. These amounts combined total \$1,097,000,000 which comprised the working budget identified in the Metro Expenditure Plan for the Project. The Board adopted the Ordinance, including the Expenditure Plan on June 23, 2016.

Funds remaining from the Gold Line Foothill Extension Phase 2A Project completed in March 2016 in the amount of \$69,500,000 were allocated to the Foothill Extension Phase 2B Project via Board Actions in accordance with the Funding Agreement for that project. Further, additional funds remaining from Phase 2A in the amount of \$26,967,000 are being requested via Board action this month as a Life of Project (LOP) Budget reduction from Phase 2A for approval for these funds to be applied to Foothill Extension Phase 2B.

For Gold Line Foothill Extension Phase 2B, advancement of preliminary engineering including station and facility design, needed alignment adjustments and railroad safety enhancements related to the shared corridor with Metrolink and BNSF, as well as Metro Holdback costs over the original estimate have generated a total estimated project increase, net of project revenues and credits, in the amount of \$249,197,635. Metro Staff have estimated Metro support costs for labor, non-labor and rail

vehicles and have reviewed the Authority's estimates and concur that additional funding will be necessary to off-set the increased scope and schedule requirements generated by shared corridor interface and improvements.

In order to achieve the total required project budget of \$1,406,870,758, staff have analyzed funding sources and recommend the following:

- Measure M contribution of \$1,019,000,000 as identified in the Metro Expenditure Plan remains unchanged.
- Combined estimated Measure R and/or Proposition C or other available non-federal funds in the amount of \$96,467,000 (comprised of \$69,500,000 and \$26,967,000 as defined in the Background Section of this Report) cost savings from Foothill Gold Line 2A.
- 3% local contribution to project funding required by Measure M \$42,206,123.
- Net project cost increase of \$249,197,635 will be requested through a State Cap and Trade program as a Metro priority to complete funding of the Life of Project Budget.
- If Cap and Trade funds are not made available, the parties will review their project budgets for any cost savings, and if there is still a shortfall, additional resources may be sought including subregional funding and any MTA requested betterments will be funded outside the Project budget. Note: MTA and the Authority will work together and jointly approach the subregion to try and resolve the funding issue. If there is still a shortfall, the Construction Authority will comply with the LACMTA Final Unified Cost Management Process and Policy.

The Measure R Unified Cost Management Process and Policy adopted by the Metro Board of Directors in March 2011 applies to the cost change at this project milestone. Attachment D includes the staff analysis required by the policy. In order to achieve the required funding to complete the Project, a funding shortfall relative to the Measure M Expenditure Plan of \$249,197,635 must be filled. As discussed in Attachment C, the Measure R Cost Management Process and Policy Analysis, and in the Funding Agreement in Attachment A, the additional funds will be requested as a priority through the Transit and Intercity Rail Capital Program (a subset of the "Cap and Trade" trade funds from the State of California). If Cap and Trade funds are not made available, additional resources may be sought using a combination of Metro and sub-regional funding or other project changes as described in Attachment D. The Metro Board's Measure R Cost Management Process and Policy from which subregional funding requirement flows includes all subregional funding, not only Measure M.

Establishment of a Life of Project Budget in the amount of \$1,406,870,758 provides the basis of the Funding Agreement for Gold Line Foothill Extension Phase 2B. The Agreement attached herein as ATTACHMENT A identifies the roles and responsibilities for Metro and the Authority regarding funding and allocation of funds for the project and defines specific procedures that must be followed to disburse payments. Metro staff coordinated extensively with Metro County Counsel, Construction Authority staff and Authority Counsel to develop the final Funding Agreement being presented for execution.

Staff recommendation is to establish a Life of Project Budget in the amount of \$1,406,870,758 and authorize the Chief Executive Officer to enter into the Funding Agreement as shown in Attachment A.

Master Cooperative Agreement

Metro and Construction Authority staff have coordinated extensively to develop the Draft Final Master Cooperative Agreement (ATTACHMENT B). This agreement sets guidelines for cooperation and efficient coordination between the parties that will define how the two agencies interact and manage such items as real estate, right-of-way, design, construction, communications, reporting, achieving substantial completion, safety, quality, progress through systems testing and pre-revenue phases. The agreement also addresses turnback from the Authority to Metro and responsibilities for each party through the closeout process, dispute resolution, warranty items, revenue operations, and final acceptance.

Staff recommendation is to adopt the final Master Cooperative Agreement and authorize the Chief Executive Officer to execute the agreement as shown in ATTACHMENT B.

First Mile/Last Mile

As a supplement to the local contribution for this project, the Los Angeles Metro First Mile/Last Mile program is being evaluated for additional improvements. Planning for additional infrastructure to be funded by First Mile/Last Mile sources and placed in local jurisdictions will be provided by the Foothill Construction Authority and based on guidelines provided by Los Angeles Metro. The local jurisdictions will implement the actual infrastructure improvements and track expenditures.

Additional On-going Studies

Metro is currently working with the Construction Authority on a parking study that may result in a

reduction in the number of parking spaces required for the light rail line. Depending on the results of that study and potential resulting impacts to the environmental document and feedback from local jurisdictions, a parking capacity reduction and related cost savings to the project may be implemented.

Further, Metro Regional Rail is currently conducting an independent study reviewing the possibility of future grade separations for Metrolink and Freight rail lines throughout the county and specifically within the shared Gold Line Extension Light Rail Corridor. Grade crossings analyzed for the Gold Line Foothill Extension Phase 2B Project are for the Light Rail Project only in compliance with the Metro Design Criteria and Grade Separation policy. The requested LOP authorization for this Board Report is for the Gold Line Foothill Extension Phase 2B Light Rail only and does not consider potential additional grade separations for the Metrolink and/or BNSF systems. Grade separations for the SCRRA and freight systems have not been budgeted as part of the Gold Line Foothill Extension Project.

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no impact on safety.

FINANCIAL IMPACT

There is no change to the FY17 or FY18 budget as a result of this action. Future funds of \$249,197,635 will be sought through a State Cap and Trade program. Since this is a multiple year project, the project manager and the Chief Program Management Officer will be accountable for budgeting the required costs in future years.

Impact to Budget

The source of funding is Measure M Transit Construction 35% which is not eligible for bus and rail operating expenditures. Other sources of funding, as discussed, are the carry-forward of Measure R 35% and/or Proposition C or other available non-federal funds from Phase 2A, 3% Local Agency Contribution, and the state Transit and Intercity Rail Capital Program (TIRCP), see ATTACHMENT C.

Cap and Trade Funds (TIRCP)

Future funds of \$249,197,635 will be sought through the State Cap and Trade Transit and Intercity Rail Capital program as a priority. The commitment of Cap and Trade Transit and Intercity Rail Capital funds as a priority stems from the Metro Board of Director's action to approve the 2009 Long Range Transportation Plan, which states, in part: "As a first priority, pursue other potential funding sources, excluding Federal New Starts, which are not currently included in the 2009 Long Range Transportation Plan, to be programmed to close the funding gaps on the Gold Line Foothill Extension and Crenshaw/LAX Transit Corridor."

ALTERNATIVES CONSIDERED

The Board may consider delaying establishment of Project LOP until the funding gap of \$249,197,635 is secured. However, this approach could result in a delay in the project start, lead to cost increases and discourage private sector participation. Further, the parties have planned for alternative approaches to handle the funding gap to further reduce the risk that there will be a funding gap.

NEXT STEPS

Upon Board approval, staff will file an application for Cap and Trade Grant funding in early calendar year 2018. The Life of Project Budget will be established, and the Construction Authority will pursue Design Build Contracts for the Utility Relocation and Primary Light Rail Mainline. The Funding Agreement and Master Cooperative Agreements will be circulated for execution by the Metro Chief Executive Officer and the Foothill Gold Line Construction Authority Chief Executive Officer.

ATTACHMENTS

ATTACHMENT A - Funding Agreement

ATTACHMENT B - Master Cooperative Agreement

ATTACHMENT C - Measure R Cost Management Process and Policy Analysis

ATTACHMENT D - Expenditure Plan - Cost and Cashflow Budget

Prepared by:

Rick Meade, Executive Officer (213) 922-7917

Reviewed by:

Richard Clarke, Chief Program Management Officer (213) 922-7557

Therese McMillan, Chief Planning Officer (213) 922-7077



Phillip A. Washington
Chief Executive Officer

**FOOTHILL EXTENSION PHASE 2B FUNDING AGREEMENT
GLENDDORA TO CLAREMONT**

This Foothill Extension Phase 2B Funding Agreement (“**Agreement**”) is dated for reference purposes only [____], 2017 and is by and between the Los Angeles County Metropolitan Transportation Authority (“**LACMTA**”) and the Metro Gold Line Foothill Extension Construction Authority (“**Recipient**”) for the Metro Gold Line Foothill Extension Phase 2B (Glendora to Claremont) (referred to herein as “**Phase 2B**” or the “**Project**”); LACMTA Measure M ID#[____] and FTIP# [____].

WHEREAS, the parties entered into that certain Amended and Restated Foothill Extension Funding Agreement dated for reference purposes June 15, 2011, which was amended by (i) that certain First Amendment to Amended and Restated Foothill Extension Funding Agreement dated for reference purposes November 2, 2011, (ii) that certain Second Amendment to Amended and Restated Foothill Extension Funding Agreement dated for reference purposes July 11, 2012, (iii) that certain Third Amendment to Amended and Restated Foothill Extension Funding Agreement dated for reference purposes August 3, 2012, (iv) that certain Fourth Amendment to Amended and Restated Foothill Extension Funding Agreement dated for reference purposes only October 28, 2013, and (v) that certain Fifth Amendment to Amended and Restated Foothill Extension Funding Agreement dated for reference purposes only September 1, 2015 (as amended, the “**Foothill Extension Phase 2A Funding Agreement**”);

WHEREAS, LACMTA adopted Ordinance #16-01, the Los Angeles County Traffic Improvement Plan, on June 16, 2016 (the “**Ordinance**”), which Ordinance was approved by the voters of Los Angeles County on November 8, 2016 as “Measure M” and became effective on January 1, 2017. The Ordinance imposed a transaction and use tax to be collected within the County of Los Angeles and to be used for public transit projects, including, without limitation, the Project.

WHEREAS, pursuant to the Ordinance, LACMTA shall expend \$1,019,000,000 in Measure M funds on Phase 2B commencing no earlier than July 1, 2018 except for expenditures for preconstruction costs which may commence earlier.

WHEREAS, the Ordinance also identifies \$78,000,000 for the Project from 2016-2067 Local, State, Federal, Other Funding. LACMTA intends to apply for Cap and Trade funds from the State to cover this amount. LACMTA expects to know whether Cap and Trade funds will be made available for the Project in June 2018 and this Agreement will be amended accordingly.

WHEREAS, the Ordinance also includes a 3% local match requirement which is estimated to be \$42,206,122 (the “**Recipient Funding Commitment**”). Recipient intends to fulfill this commitment as set forth in **Section B8.1** of this Agreement.

WHEREAS, there is estimated \$96,467,000 budget remaining from Measure R funds provided under the Foothill Extension Phase 2A Funding Agreement which were approved to be used on Phase 2B. The Measure R Ordinance, Ordinance 08-01, and the Ordinance are collectively referred to as the “**Ordinances**.” LACMTA desires to close out the Foothill Extension Phase 2A Funding Agreement and therefore once the work on Phase 2A is complete,

LACMTA will move the actual remaining budget to this Agreement along with any amounts already expended against that remaining budget. Therefore, even though the Phase 2B costs may have been incurred under the Foothill Extension Phase 2A Funding Agreement, they will be deemed to have been incurred under this Agreement.

WHEREAS, Recipient desires an additional \$138,000,000 for the Project and an additional \$33,197,635 is needed to cover LACMTA Project Costs in excess of what was needed in Phase 2A. LACMTA intends to apply for Cap and Trade funds from the State to cover this amount. LACMTA expects to know whether Cap and Trade funds will be made available for the Project in June 2018 and this Agreement will be amended accordingly.

WHEREAS, Recipient desires that the Project extend into San Bernardino and terminate at the proposed Montclair station (the “**Montclair Extension**”). However, the Montclair Extension has not been approved by the LACMTA Board, has not been fully funded and requires agreement by the applicable cities and agencies in San Bernardino County. At this time, Recipient is preparing plans that include the Montclair Extension and that portion of the plans is being paid by the City of Montclair. LACMTA and Recipient intend that the Funds provided under this Agreement will not be used for any portion of the Montclair Extension and a written amendment to this Agreement will be required that specifically authorizes Recipient to use Funds on the Montclair Extension before any portion of the Funds can be used on the Montclair Extension.

WHEREAS, Recipient and LACMTA desire to enter into this Agreement for LACMTA to grant the Funds, as defined herein, to Recipient for the Project, subject to the terms and conditions contained in this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

The terms and conditions of this Agreement consist of the following and each is incorporated by reference herein as if fully set forth herein:

1. Specific Terms of the Agreement
2. General Terms of the Agreement
3. Attachment A – Final Unified Cost Management Process and Policy
4. Attachment B - Project Funding
5. Attachment C – Expenditure Plan – Cost & Cash Flow Budget
6. Attachment D - Scope of Work
7. Attachment E – Bond Requirements
8. Attachment F - Federal Transportation Improvement Program (FTIP) Sheet
9. Attachment G - Reporting and Expenditure Guidelines

10. Attachment G1 - Monthly Progress/Expenditure Report
11. Attachment G-2 – LACMTA Monthly Progress/Expenditure Report
12. Attachment H – Extra Allowable Costs List
13. Attachment I – Metro’s First/Last Mile Policy for Major Transit Corridors
14. Any other attachments or documents referenced in the above documents

In the event of a conflict, the Specific Terms of the Agreement shall prevail over the General Terms of the Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the dates indicated below:

LACMTA:

LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION
AUTHORITY

RECIPIENT:

METRO GOLD LINE FOOTHILL
EXTENSION CONSTRUCTION
AUTHORITY

By: _____
Phillip A. Washington
Chief Executive Officer

Date: _____

By: _____
Habib F. Balian
Chief Executive Officer

Date: _____

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By: _____
Deputy

APPROVED AS TO FORM:

Nossaman LLP

By: _____
Alfred E. Smith, II
General Counsel

SPECIFIC TERMS OF THE AGREEMENT

A1. Title of the Project (the "**Project**"): Metro Gold Line Foothill Extension Phase 2B (Glendora to Claremont). The Project has been assigned LACMTA Measure M ID# [_____] and FTIP# LA[_____].

A2. Project Funding.

A2.1 Pursuant to LACMTA Board Action on [INSERT DATE], 2017, LACMTA has made to Recipient a one-time grant in the amount of \$1,364,664,635 for the Project less LACMTA Project Costs, as defined in **Section B7**, and subject to the provision of Sections A2.2 and its subsections below. The Measure M Funds and the Measure R Funds, as defined below, are referred to herein collectively as the "**Funds**". The amount of the Funds less the LACMTA Project Costs are referred to as the "**Gold Line Fund Amount**".

A2.2 The \$1,364,664,635 shall be paid from the following fund sources:

A2.2.1 \$1,019,000,000 from Measure M funds (the "**Measure M Funds**"). Recipient may expend the Measure M Funds commencing no earlier than July 1, 2018, except Recipient may expend Measure M Funds for preconstruction costs beginning July 1, 2017 with the understanding that such costs cannot be reimbursed until the State Board of Equalization makes the first Measure M distribution to LACMTA in the fall of 2017.

A2.2.2 \$249,197,635 from proposed Cap and Trade Funds from the State of California ("**Cap and Trade Funds**"). This amount includes \$78,000,000 referenced in the Ordinance as 2016-2067 Local, State, Federal, Other Funding, \$33,197,635 needed to cover LACMTA Project Costs in excess of what was needed in Phase 2A and \$138,000,000 additional funding ("**Additional Funding**") requested by Recipient. Recipient understands LACMTA needs to apply for the Cap and Trade Funds from the State of California first and LACMTA does not expect to know until after July 2018 whether the Cap and Trade Funds will be made available for the Project. LACMTA will make such application a first priority for Cap and Trade Funds.

If the Cap and Trade Funds are not sufficient to cover the entire \$249,197,635, then LACMTA and Recipient shall both use good faith efforts to review their respective Project budgets and determine whether any cost savings are achievable through elimination of any project scope or services agreed to be unnecessary or not as much as originally anticipated. If after any reduction in the Project LOP, there is still a shortfall in the Cap and Trade Funds and LACMTA continues to include budget in the LACMTA Project Costs for LACMTA Requested Betterments, then LACMTA shall be responsible for funding the budget for all the LACMTA Requested Betterments in the LACMTA Project Costs from sources other than the Funds. If after any reduction in the Project LOP and subtracting the amount for any LACMTA Requested Betterments included as LACMTA Project Costs there is still a shortfall of Cap and Trade Funds, then LACMTA will determine whether any other eligible surplus funds are then available to fund the remaining balance. If after any reduction in the Project LOP and subtracting the amount for

any LACMTA Requested Betterments included as LACMTA Project Costs and subtracting any other funds then available, and there is still a shortfall, then LACMTA shall seek to fund one-third of the remaining balance and LACMTA and Recipient shall work together and jointly approach the San Gabriel Valley subregion for funding two-thirds of the remaining balance from any eligible Measure M Subregional Program listed in the Multi-Year Subregional Programs section of the Measure M Expenditure Plan and coded “sg”fund in the “Subregion: column of that section (“**Subregional Funds**”) or from the San Gabriel Valley share of the “Subregional Equity Program on Line 68 and as noted in footnote “s” of that Expenditure Plan; and then if after following the process described in this section, there are still insufficient funds to cover the remaining balance, then Recipient shall comply with the LACMTA Final Unified Cost Management Process and Policy.

Once it is determined how all or a portion of the \$249,197,635 is to be funded, including, any reduction in the Project LOP and any reduction in the LACMTA Requested Betterments and/or the Estimated Amount, LACMTA and Recipient shall amend this Agreement accordingly which amendment will be limited in scope to (i) redefine the term “Funds” to include the portion of the \$249,197,635 which is fully funded, (ii) make necessary revisions to the provisions expressly mentioning the \$249,197,635, (iii) revising any amounts that may have been modified with the reduction process, including, the amount of the Cap and Trade Funds, the Project LOP, LACMTA Requested Betterments and the Estimated Amount, and (iv) include any additional terms and conditions required by the funding source. Once this Agreement is so amended, Recipient shall then be authorized to spend the portion of the \$249,197,635 which is fully funded.

A2.2.3 The estimated \$96,467,000 budget remaining from Measure R funds (the “**Measure R Funds**”) provided under the Foothill Extension Phase 2A Funding Agreement which were approved to be used on Phase 2B. LACMTA has moved this remaining budget to this Agreement along with any amounts already expended against that estimated \$96,467,000 budget. Therefore, even though the costs may have been incurred under the Foothill Extension Phase 2A Funding Agreement, they will be deemed to have been incurred under this Agreement.

A3. Disbursement of Funds.

A3.1 Subject to the terms and conditions contained herein, the Funds shall be paid monthly to Recipient on a reimbursement basis not to exceed in the aggregate the Gold Line Fund Amount. Recipient must provide the appropriate supporting documentation with the Monthly Progress/Expenditure Report. Recipient shall submit the Monthly Progress/Expenditure Report and, notwithstanding the approval process in **Section B5.1**, will be reimbursed by LACMTA within thirty (30) days after LACMTA’s receipt of each Monthly Progress/Expenditure Report submittal. In the event that LACMTA questions the content of the Monthly Progress/Expenditure Report, or the adequacy of the report or of any supporting documentation, notwithstanding the approval process in **Section B5.1**, LACMTA shall timely pay the disputed amount, together with any undisputed amount. Concurrently with payment of the disputed amount, and notwithstanding payment of the disputed amount, LACMTA shall notify Recipient of the dispute, together with its assessment of what documentation is required in order to resolve the dispute. If Recipient is unable or otherwise fails to provide documentation reasonably acceptable to LACMTA within thirty (30) days after receipt of notice of the dispute

from LACMTA, the dispute shall be resolved in accordance with the dispute resolution process set forth in **Section B12.2**. If the final outcome of that dispute resolution process is adverse to Recipient, LACMTA may reduce the disallowed amount from the next disbursement to Recipient first occurring after final resolution of the dispute.

A3.2 Notwithstanding the foregoing, the first Twenty Million Dollars (\$20,000,000) (the “**Phase 2B Working Capital Advance**”) of Funds payable to Recipient shall not be provided on a reimbursement basis but shall be distributed to Recipient at no interest upon receipt by LACMTA of an invoice requesting the disbursement. Any such disbursement must be for eligible Project expenses. The intent of the parties is that Recipient utilize the Phase 2B Working Capital Advance as a working capital advance to pay valid invoices it receives within 30 days after receiving such invoices and in advance of receiving from LACMTA the corresponding reimbursement of the amounts included on such invoices. Recipient shall provide appropriate documentation regarding eligibility of expenditures from the Phase 2B Working Capital Advance when the Project is complete, in a similar format and detail as that provided in the Monthly Progress/Expenditure Report. Recipient shall keep the Phase 2B Working Capital Advance in an interest bearing account. Any interest earned by Recipient on the Phase 2B Working Capital Advance shall be subject to the same use restrictions that apply to the Funds under **Section B3** and such interest amounts shall be counted toward the \$96,467,000 grant of Measure R Funds. Pursuant to **Section B5**, Recipient shall include in the Monthly Progress/Expenditure Report any interest earned on the Phase 2B Working Capital Advance and credit such interest earned for the month against the requested invoiced amount payable by LACMTA. Recipient shall return to LACMTA any Phase 2B Working Capital Advance plus interest remaining in its possession at “Completion of Phase II of the Project” as that term is defined in that certain Los Angeles-Pasadena Metro Blue Line Governmental Purpose Property Trust Agreement dated entered into as of August 19, 1999 (the “**Trust Agreement**”).

A4. The “Project Funding” documents all sources of funds programmed for the Project as approved by LACMTA and is attached as **Attachment B** to this Agreement. The Project Funding includes the total budget for the Project, including the Funds granted by LACMTA and the Recipient Funding Commitment, as more particularly described in **Section B8.1**. Recipient shall submit updates to the Project Funding if there is any change. Recipient cannot make any change to the Project Funding that would require an increase or acceleration in the Funds without LACMTA’s written approval, including any changes to the Recipient Funding Commitment.

A5. **Attachment C** is the “Expenditure Plan - Cost & Cash Flow Budget” (the “**Expenditure Plan**”) which documents the proposed cash flow and budget for the Funds; as well as the fiscal year the Funds are expected to be expended. Recipient shall submit annually to LACMTA, no later than February 1 of each year (the “**Annual Review**”), a current and up to date **Attachment C** for LACMTA’s budget and programming purposes. This Annual Review is important for the Parties to timely and properly plan for the Funds anticipated to be needed by both LACMTA and Recipient for their respective Project costs in the upcoming fiscal year. During the Annual Review, the parties shall identify any changes, if necessary, to the Expenditure Plan. At all times during the term of this Agreement, Recipient and LACMTA shall comply with the Ordinances.

A5.1 Recipient cannot make any change to the Expenditure Plan that would require an increase or acceleration in the Funds or LACMTA Project Costs without LACMTA’s written

approval. With regard to the Gold Line Fund Amount, Recipient may transfer funds between Project budget line items within a fiscal year or make changes across fiscal years which are cost neutral without LACMTA approval. With regard to the LACMTA Project Costs, LACMTA may transfer funds between Project budget line items within a fiscal year or make changes across fiscal years which are cost neutral without Recipient approval.

A6. Recipient shall complete the Project as generally described in the “Scope of Work” and in accordance with the Master Cooperative Agreement for Phase 2B (“MCA”), dated **[INSERT DATE]**. The Scope of Work for the Project is attached to this Agreement as **Attachment D**. The Scope of Work includes a description of the Project, Project milestones, and a Project schedule with an estimated completion date. Work shall be delivered in accordance with that Project schedule unless otherwise agreed to by the Parties in writing. Concurrently with this Agreement, LACMTA and Recipient are entering into that certain MCA, which describes the guidelines and mechanism by which LACMTA will participate in the Project. The MCA sets forth a description of the Project, and a process for LACMTA review of the design and construction of the Project. In the event of any conflict between the Scope of Work attached to this Agreement as **Attachment D** and the description of the Project in the MCA, as the Project now exists or evolves pursuant to the processes set forth in the MCA, the description of the Project in the MCA shall control. Any changes to the Project or the Scope of Work resulting from the process and procedures set forth in the MCA do not require an amendment of this Agreement and the Scope of Work attached hereto shall be deemed automatically amended in accordance with those changes.

A7. LACMTA anticipates it may need to avail itself of lower cost bonds or other debt, the interest on which is tax exempt for federal tax purposes and/or Build America Bonds as defined in the American Reinvestment and Recovery Act of 2009 or similar types of bonds (collectively, the “**Bonds**”) to provide at least a portion of its funding commitments under this Agreement to Recipient. Recipient shall ensure that the expenditure of the Funds disbursed to Recipient does not jeopardize the tax-exemption of the interest, the Federal subsidy payment or the tax credit, as applicable, as specified in the Bond Requirements attached as **Attachment E** to this Agreement. Recipient agrees to provide LACMTA with progress reports, expenditure documentation, and any other documentation as reasonably requested by LACMTA and necessary for LACMTA to fulfill its responsibilities as the grantee or administrator or bond issuer of the Funds. With regard to LACMTA debt financing to provide any portion of the Funds, Recipient shall take all reasonable actions as may be requested of it by LACMTA’s Project Manager for the Project, to assist LACMTA in demonstrating and maintaining over time, compliance with the relevant sections of the Federal Tax Code to maintain such bonds tax status.

A8. Nothing in the Agreement shall be construed as requiring the Board of Directors of Recipient to commence eminent domain proceedings or seek an order for possession as to any parcel of land, and Recipient may, in its sole discretion, determine not to commence eminent domain proceedings or to seek an order for possession as to any parcel of land.

A9. Six (6) months before the Phase 2B Revenue Operation Date, as defined in the MCA, the parties shall meet to initiate transfer of the property subject to the Trust Agreement for the Project.

A10. All approvals and determination of either party required hereunder shall not be unreasonably withheld.

A11. The "FTIP PROJECT SHEET (PDF)" is attached as **Attachment F** and is required to ensure that the Project is programmed correctly in the most up-to-date Federal Transportation Improvement Program ("FTIP") document. The FTIP PROJECT SHEET (PDF) can be found in LACMTA's federal TIP amendment Request No. 17-10, which is intended to be submitted to SCAG in early July 2017. All projects that receive Measure M funding must be programmed into the FTIP, which includes locally funded regionally significant projects for information and air quality modeling purposes. Recipient shall review the Project in Program Metro each year and update or correct the Project as necessary during a scheduled FTIP amendment or adoption. Recipient will be notified of amendments and adoptions to the FTIP via e-mail. Changes to the FTIP through Program Metro should be made as soon as possible after Recipient is aware of any changes to the Project.

A12. **Attachment G** is the Reporting & Expenditure Guidelines for the Project, which together with the Scope of Work defines the Project expenses eligible for reimbursement under this Agreement. The Monthly Progress/Expenditure Report is attached to this Agreement as **Attachment G-1** and the LACMTA Monthly Progress/Expenditure Report is attached to this Agreement as **Attachment G-2**.

A13. No changes to the (i) grant amount, (ii) Project Funding (except as set forth in **Section A4**), (iii) Expenditure Plan (except as set forth in **Section A5**), (iv) the Scope of Work (except as set forth in **Section A6**), or (v) FTIP Project Sheet, shall be allowed without a written amendment to this Agreement, approved and signed by the LACMTA Chief Executive Officer or his/her designee and Recipient. Modifications that do not materially affect the terms of this Agreement do not require LACMTA approval. Non-material changes are those changes that do not affect the grant amount, the amount of the Funds, the Scope of Work, including schedule (except as set forth in **Section A6**), or the FTIP Project Sheet.

A14. **Parties' Addresses**

A14.1. LACMTA's Address:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza, Mail Stop 99-16-6
Los Angeles, CA 90012
Attention: Mr. Rick Meade
Executive Officers, Projects Engineering
MeadeR@metro.net

A14.2. Recipient's Address:

Metro Gold Line Foothill Extension Construction Authority
406 E. Huntington Drive, Suite 202
Monrovia, California 91016
Attn: Mr. Habib F. Balian

Chief Executive Officer
hbalian@foothillgoldline.org

A15. Recipient shall provide reasonable visibility into the cost, schedule and change status of the Project. Recipient shall allow the LACMTA Project Management Information System (“PMIS”) Designee (upon designation by LACMTA and approval by Recipient’s CEO) reasonable access to Recipient’s PMIS, as needed. LACMTA will formally designate a member of its Project Administration staff as the person authorized to access Recipient’s PMIS on behalf of LACMTA pursuant to this Agreement (the “**LACMTA PMIS Designee**”), and inform Recipient’s CEO upon making the designation. Recipient’s CEO shall not unreasonably withhold approval of the LACMTA PMIS Designee. LACMTA shall not change the LACMTA PMIS Designee more frequently than annually, without prior written approval from Recipient’s CEO. Nothing in this **Section A14** shall be interpreted to (a) grant LACMTA any audit rights or rights to information not authorized by other provisions of this Agreement; (b) require Recipient to include in its PMIS any information that Recipient would not otherwise include; or (c) provide access to Recipient’s internal accounting system.

A16. LACMTA has adopted LACMTA Final Unified Cost Management Process and Policy for projects funded under Measure R and which is attached as **Attachment A**. LACMTA intends to prepare a similar policy for Measure M projects or a replacement policy that will apply to both Measure R and Measure M projects. As both Measure R Funds and Measure M Funds are being used for Phase 2B, Recipient shall comply with the existing Measure R policy, as may be amended by the LACMTA Board, and the Measure M policy as adopted by the LACMTA Board. LACMTA and Recipient shall amend this Agreement accordingly to incorporate any LACMTA Board adopted revised Measure R cost management policy and/or Measure M cost management policy.

A17. LACMTA acknowledges that Recipient is preparing plans that include the Claremont Station as the terminus and the Montclair Extension and that the Montclair Extension portion of the plans is being paid by the City of Montclair. Recipient acknowledges and agrees that the Funds provided under this Agreement will not be used for any portion of the Montclair Extension and a written amendment to this Agreement will be required that specifically authorizes Recipient to use Funds on the Montclair Extension before any portion of the Funds can be used on the Montclair Extension.

GENERAL TERMS OF THE AGREEMENT

B1. **TERM:** The term of this Agreement shall commence on the date this Agreement is fully executed and, shall terminate upon the occurrence of all of the following, unless terminated earlier as provided herein: (i) the agreed upon Scope of Work has been completed; (ii) all LACMTA audit and reporting requirements have been satisfied; and (iii) the final disbursement of the Funds has been made to Recipient.

B2. **INVOICE BY RECIPIENT:** The Monthly Progress/Expenditure Report, with supporting documentation of expenses and Project progress as described in **Section B5.1** of this Agreement, and other documents as required by this Agreement, shall satisfy LACMTA invoicing requirements. Recipient shall send the Monthly Progress/Expenditure Reports with supporting documentation to:

Los Angeles County Metropolitan Transportation Authority
Accounts Payable
P. O. Box 512296
Los Angeles, CA 90051-0296

Alternatively, Recipient may submit the Monthly Progress/Expenditure Report and other documents required by this Agreement electronically (in an electronic format acceptable to LACMTA's Accounts Payable Department) to:

ACCOUNTS PAYABLE
accountspayable@metro.net

with a copy to:
Alex Lampros
lamprosa@metro.net

B3. **USE OF FUNDS:**

B3.1. Recipient shall utilize the Funds to complete the Project as described in the Scope of Work and in accordance with the Reporting and Expenditure Guidelines and the specifications for use for the transportation purposes described in the Ordinances. Recipient shall make good faith efforts to cause the total expenditure of Funds to not exceed the applicable amounts set forth in **Section A2**.

B3.2. The Funds allocated under this Agreement can only be used towards Project costs consistent with the Modified OMB A-87 (defined in **Section B6.1**). Any activity or expense charged above and beyond the Scope of Work is considered ineligible and will not be reimbursed by the LACMTA unless prior written authorization has been provided by the LACMTA Chief Executive Officer or his designee.

B3.3. Recipient shall not use the Funds to substitute for any other funds or projects not specified in this Agreement. Further, Recipient shall not use the Funds for any lobbying or, to

the extent LACMTA provides Recipient with bond or commercial paper proceeds (as set forth in **Section A7**), Funds may not be used to reimburse for any costs that jeopardize the tax-exempt nature of such financings as reasonably determined by LACMTA and its bond counsel, or any expenses or activities above and beyond the approved Scope of Work (**Attachment D**) without an amendment to this Agreement approved and signed by the LACMTA Chief Executive Officer or his designee.

B3.4. If Recipient intends to use a consultant or contractor to implement all or part of the Project, such activities shall be procured in accordance with Recipient's contracting procedures and consistent with applicable State law. Recipient staff or consultant with project oversight roles cannot award work to companies in which they have a financial or personal interest. Recipient shall not award a contract to a consultant or contractor who has an organizational conflict of interest. For purposes of the preceding sentence, "organizational conflict of interest" shall have the meaning ascribed in the rules and regulations of the Federal Transit Administration ("FTA").

B3.5. If a facility, equipment (such as computer hardware or software), vehicle or property purchased or leased using the Funds, ceases to be used for a purpose other than as permitted by Recipient's enabling legislation, any Funds expended for that purpose must be returned to LACMTA as follows: Recipient will be required to repay the Funds used to purchase or lease the facility, equipment, vehicle or property in proportion to the useful life remaining, in an equal proportion of the allocation amount to Recipient Funding Commitment ratio.

B3.6. When business travel associated with the Project requires use of a vehicle, the mileage incurred shall be reimbursed at the mileage rates set by the Internal Revenue Service, as indicated in the United States General Services Administration Federal Travel Regulation, Privately Owned Vehicle Reimbursement Rates.

B3.7. Recipient's employees, officers, board members, agents, and consultants (each, a "**Recipient Party**") are prohibited from participating in the selection, award, or administration of a third-party contract or sub-agreement supported by the Funds if doing so would violate applicable state laws, including but not limited to the Political Reform Act (Government Code Section 81000, *et seq*), Government Code Section 1090 *et seq*, and the common law doctrine against conflicts of interest.

B4. **DISBURSEMENT OF FUNDS:** Disbursements shall be made on a reimbursement basis in accordance with **Section A3**, except as set forth in **Section A3.2**. LACMTA will make all disbursements electronically unless an exception is requested in writing. Disbursements via Automated Clearing House (ACH) will be made at no cost to Recipient. Recipient must complete the ACH form and submit such form to LACMTA before payments hereunder can be made. ACH Request Forms can be found at www.metro.net/projects_studies/call_projects/ref_docs.htm.

B5. **REPORTING REQUIREMENTS:**

B5.1 Recipient shall submit the Monthly Progress/Expenditure Report (**Attachment G-1**) within 15 days after the close of each month. Should Recipient fail to submit

such reports within 10 days of the due date and/or submit incomplete reports, LACMTA will not reimburse Recipient until the completed required reports are received, reviewed, and approved. The Monthly Progress/Expenditure Report shall include all appropriate documentation (such as contractor invoices, timesheets, receipts, etc.). All supporting documents must include a clear justification and explanation of their relevance to the Project. If no activity has occurred during a particular month, Recipient shall submit the Monthly Progress/Expenditure Report indicating no dollars were expended that month. The Monthly Progress/Expenditure Report shall include any interest earned on the Phase 2B Working Capital Advance for the same period and the total amount requested shall include a credit for such interest earned.

B5.2 Monthly Reports.

B5.2.1 Recipient shall provide to the LACMTA Board monthly Project progress reports informing the LACMTA Board of the Project progress, use of funds during the previous month, the milestone progress vs. costs, expenditures to date, funds committed and forecast at completion, updated Project schedule and identifying any major problems (such as cost impacts of \$10 million or more, a schedule impact of 90 days or more, a quality issue which materially deviates from the Metro Design Criteria or Standard Drawings or a previously LACMTA approved submittal, any safety issue which deviates from the Metro Design Criteria or Standard Drawings or a previously LACMTA approved submittal, as such terms are defined in the MCA), and proposed solutions.

B5.2.2 Such monthly report shall describe any and all areas of concern, including problems causing delays, proposed solutions and next steps including actions requiring approval of Recipient and LACMTA Boards.

B5.2.3 If a potential cost overrun is identified, the monthly report will include a recovery proposal, which may include, without limitation, a re-scope of the Project or a request for the LACMTA Board to amend the Project's life of project budget and if amended, request additional funds.

B5.3 Quarterly Reports.

B5.3.1 If requested by LACMTA, Recipient shall also provide quarterly reports in person to the LACMTA Board on the state of the Project consistent with the information contained in the Monthly Reports along with additional information describing schedule and cost variances from the last quarter, including impacts of the performance towards key milestones or increases to the LOP budget.

B5.3.2 Such quarterly report shall also describe any and all major problems, as described above, areas of concern, proposed solutions and next steps including actions requiring approval of the Boards of Directors of Recipient and of LACMTA.

B5.3.3 If a potential cost overrun is identified, the quarterly report will include a recovery proposal, which may include, without limitation, a re-scope of the Project or a request for the LACMTA Board to amend the Project's life of project budget and if amended, request additional funds.

5.4 LACMTA shall be responsible for submitting a request for an increase in the LACMTA Project Costs beyond the Estimated Amount set forth in **Section B7.4** in accordance with that Section, and shall not require a request from Recipient for any such increase.

B6. AUDIT REQUIREMENTS:

B6.1 LACMTA, and/or its designee, shall have the right to conduct annual audits and a final audit of Recipient as it concerns the Project. In addition to the foregoing, LACMTA, and/or its designee, shall have the right to conduct an audit of Recipient in the event of a change (or requested change) in the amount of the Funds, or if the LACMTA Board of Directors determines that an expenditure of funds in violation of this Agreement is likely to have occurred and directs LACMTA to conduct such audit. LACMTA will commence a final audit within nine months of receipt of an acceptable final invoice, provided the Project is ready for final audit (meaning all costs and charges have been paid by Recipient and invoiced to LACMTA, and such costs, charges and invoices are properly documented and summarized in the accounting records to enable an audit without further explanation or summarization including actual indirect rates for the period covered by the Agreement period under review). Recipient agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). Recipient shall reimburse LACMTA for any expenditure made in violation of this Agreement; such reimbursement shall be made by LACMTA deducting the amount of the disallowed expenditure from the remaining balance of the Funds. The allowability of costs for Recipient's own expenditures submitted to LACMTA for this Project shall be in compliance with Office of Management and Budget ("OMB") Circular A-87 except that the costs described in OMB Circular A-87 and listed on **Attachment H** (the "**Extra Allowable Cost List**") shall also be allowable costs. Costs that are not specifically identified as an unallowable cost in OMB Circular A-87 plus those costs on the Extra Allowable Cost List shall be permissible expenditures under this Agreement if such costs are not otherwise prohibited by this Agreement. OMB Circular A-87, as modified by allowing costs set forth in the Extra Allowable Cost List shall be hereinafter referred to as "**Modified OMB A-87**". The allowability of costs for Recipient's contractors, consultants and suppliers expenditures submitted to LACMTA through Recipient's Monthly Progress Reports/Expenditures shall be in compliance with Modified OMB A-87 or Federal Acquisition Regulations Subpart 31 (whichever is applicable).

B6.2 Recipient's records, including without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files (including documentation covering negotiated settlements), invoices, and any other supporting evidence reasonably necessary for LACMTA to substantiate charges related to the Project (all collectively referred to as "**records**") shall be open to inspection and subject to audit and reproduction by LACMTA auditors or authorized representatives to the extent necessary for LACMTA to adequately permit evaluation of expended costs. Such records subject to audit shall also include, without limitation, those records necessary for LACMTA to evaluate and verify, direct and indirect costs (including overhead allocations) as they may apply to costs associated with the Project. These records must be retained by Recipient for three years following final payment under this Agreement. Recipient shall include language in its contracts with contractors, consultants, and suppliers requiring them to comply and cooperate with the requirements of this **Section B6.2**.

B6.3 LACMTA and its duly authorized representatives, upon reasonable written notice shall be afforded reasonable access to all of the records of Recipient regarding all activities in completing the Scope of Work and all costs incurred therefor, to the extent reasonably practicable. Recipient shall include language in its contracts with contractors, consultants, and suppliers requiring them to allow LACMTA reasonable access to all of the records of the contractor, consultant, or supplier regarding all activities in completing the Scope of Work and all costs incurred therefor to the extent reasonably practicable.

B6.4 In connection with the exercise of its audit rights in accordance with this **Section B6**, LACMTA and its duly authorized representatives, upon reasonable written notice, shall have access to the offices of Recipient, and its contractors, consultants, and suppliers shall have access to all reasonably necessary records, including reproduction (at no charge to LACMTA), and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the terms and conditions of this Agreement.

B6.5 LACMTA or their representative shall, upon completion of the audit, present the preliminary audit findings and recommendations to Recipient. A draft audit report shall be provided to Recipient for review and comments. Recipient shall provide LACMTA written comments as to acceptance or rejection of audit findings within 45 days after Recipient's receipt of the draft audit report.

B6.6 All LACMTA audit findings are subject to dispute resolution in accordance with **Section B12.2**. When LACMTA final audit findings require Recipient to return any Funds to LACMTA, and to the extent Recipient does not dispute such findings, LACMTA shall withhold the amount equivalent to the disallowed expenditures from the amount available for disbursement to Recipient in the next fiscal year after the final audit findings are sent to Recipient. To the extent Recipient disputes such final audit findings, and such dispute is resolved in LACMTA's favor, LACMTA shall withhold the amount equivalent to the disallowed expenditures from the amount available for disbursement to Recipient in the next fiscal year after such resolution.

B6.7 Recipient and /or its designee shall be responsible for performing costs audits of contractors, consultants, and suppliers regarding activities in completing the Scope of Work with contracts exceeding \$650,000, or the Federal audit threshold, whichever is greater. Such audits will be conducted by a CPA firm and done in compliance with Government Auditing Standards. The audits will audit the costs to verify compliance to Modified OMB A-87 or FAR Subpart 31 (whichever is applicable) and this Agreement. To avoid duplication of efforts, LACMTA shall have access to Recipient's auditors' work.

B6.8 Notwithstanding anything in this Agreement to the contrary, the provisions of this **Section B6** shall not apply to any contractor, consultant, or supplier performing work pursuant to (i) a fixed-rate or time and materials contract (except for any cost reimbursement portion of the contract) or (ii) a fixed price contract that has been procured competitively; provided, however, that **Section B6** shall apply to the costs and records of any contractor, consultant, and supplier to the extent that such costs and records directly relate to a change order, claim, or formal dispute.

B6.9 In addition to LACMTA's other remedies as provided in this Agreement, LACMTA shall withhold the Funds from future disbursement if the LACMTA audit has determined that Recipient failed to comply with the Scope of Work (such as misusing Funds or failure to return Funds owed to LACMTA in accordance with LACMTA audit findings) and/or is severely out of compliance with other terms and conditions of this Agreement, including the access to Recipient records provisions of **Section B6**. LACMTA may withhold the funds only if the decision of the LACMTA is upheld upon completion of the dispute resolution process set forth in **Section B12.2**.

B6.10 Recipient shall certify monthly invoices by reviewing all contractor and subcontractor costs and maintaining internal control to ensure that all expenditures are allocable, allowable and reasonable and in accordance with Modified OMB A-87 or FAR Subpart 31 (whichever is applicable) and the terms and conditions of this Agreement.

B6.11 Recipient shall also certify final costs of the Project to ensure all costs are in compliance with Modified OMB A-87 or FAR Subpart 31 (whichever is applicable) and the terms and conditions of this Agreement.

B6.12 Whenever possible, in exercising its audit rights under this Agreement, LACMTA shall rely on Recipient's own records and audit work, and minimize direct audit of contractors, consultants, and suppliers.

B7. LACMTA PROJECT COSTS:

B7.1 LACMTA shall incur costs and expenses for the Project as more particularly described in Section B7.3 below (the "**LACMTA Project Costs**"). However, as of the date of the execution of this Agreement, due to the long term of this Agreement, LACMTA cannot reasonably predict the actual amount of LACMTA Project Costs that will be incurred by LACMTA and have therefore provided an Estimated Amount set forth in Section B7.4, which amount may increase from time to time as set forth in Section B7.4.

B7.2 LACMTA will hold back a portion of the Project funds to pay for LACMTA Project Costs. LACMTA shall pay itself from the Funds for the LACMTA Project Costs as such costs are incurred. In no event will LACMTA pay itself more than the amount set forth in **Section B7.4**, plus any increases in that amount that may be authorized pursuant to **Section B7.4**.

B7.3 Funds allocated to pay for the LACMTA Project Costs are to be used by LACMTA for:

B7.3.1 LACMTA staff time and other direct costs involved in design and construction review, and construction inspection, project management oversight, training, security prior to ROD (to the degree not provided by Recipient), regional communications (outreach, signage, marketing, media, graphic design, and printing), real estate, finance, audit, safety, legal, planning and rail operations, pre-revenue testing, rail activation and start up activities and any post-ROD services and support necessary for close-out, to the extent such activities are consistent with the MCA and this Agreement. LACMTA commits to designating a point of contact for each category of activities, minimizing redundant activities, review and comments, and ensuring the

timely delivery of comments to Recipient. All such costs must be reasonable and appropriate to the activities related to the Project.

B7.3.2 To ensure uniformity of major equipment and to ensure compatibility with the existing rail system, LACMTA will hold back funds to purchase LACMTA Furnished/Required Equipment, as defined in the MCA which includes, without limitation, light rail vehicles and other major equipment needed for system operation.

B7.3.3 Recipient's share of the cost to expand LACMTA's Rail Operations Center ("**ROC**") that is attributable to the Project which will be an amount based on the proportionate share of the ROC devoted to operation of Phase 2B and in any event shall not exceed \$7,205,760.

B7.3.4 Recipient's allocated share of the cost of the Operation and Maintenance Facility ("**O&M Facility**") which is agreed by the Recipient and LACMTA to be \$26,663,217. Per LACMTA Board policy, to the extent Phase 2A over paid for its share of the cost of the O&M Facility, such overage has already been credited towards Phase 2B's share of the O&M Facility costs and the \$26,663,217 is the amount due after such credit was applied.

B7.3.5 LACMTA Requested Betterments in an amount not to exceed \$10,000,000.

B7.4 The amount of LACMTA Project Costs, including amounts set forth in Section B7.3, is estimated to be \$221,164,635 (the "Estimated Amount"). LACMTA shall make good faith efforts to cause actual LACMTA Project Costs to be less than the Estimated Amount. The Estimated Amount shall be reviewed annually during the Annual Review. If LACMTA Project Costs exceed the Estimated Amount plus any increases that may be authorized pursuant to this Agreement, then LACMTA, subject to Recipient approval, which approval shall not be unreasonably withheld, shall request authority for additional funds (in excess of the amount set forth in Section A2 of this Agreement) from the LACMTA Board; provided, however, if any portion of the Estimated Amount used for LACMTA Requested Betterments exceeds the amount set forth in Section 7.3.5, then LACMTA shall pay for the portion of such LACMTA Requested Betterments that exceeds the amount set forth in Section 7.3.5 from sources other than the Funds. If upon the "Completion of Phase II of the Project" as that term is defined in the Trust Agreement, LACMTA Project Costs are less than the Estimated Amount, the amount of any LACMTA Project Costs savings shall be made available to Recipient, for any permissible expenses that remain unpaid. Once the Project has been completed, Recipient shall return any all unused Funds, including any remaining Phase 2B Working Capital Advance, to LACMTA and LACMTA shall be free to reprogram any unused Funds.

B7.4.1 If LACMTA intends to use a consultant or contractor to implement all or part of its obligations pursuant to this Agreement, LACMTA shall procure such activities in accordance with LACMTA's contracting procedures and consistent with applicable State law.

B7.4.2 When business travel is charged as an LACMTA Project Cost and requires use of a vehicle, the mileage incurred shall be reimbursed at the mileage rates set by the Internal Revenue Service, as indicated in the United States General Services Administration Federal Travel Regulation, Privately Owned Vehicle Reimbursement Rates.

B7.5 LACMTA shall submit to Recipient the LACMTA Monthly Progress/Expenditure Report (**Attachment G-2**) within 30 days after the close of each month. The LACMTA Monthly Progress/Expenditure Report shall document all expenditures of the LACMTA Project Costs. Should LACMTA fail to submit such reports within 10 days of the due date and/or submit incomplete reports, LACMTA shall not be permitted to use any portion of the Funds for purposes of funding the LACMTA Project Costs, until the completed required reports are received. The LACMTA Monthly Progress/Expenditure Report shall include all appropriate documentation (such as contractor invoices, timesheets, LIMS reports, receipts, etc.). All supporting documents must include a clear justification and explanation of their relevance to the Project. If no activity has occurred during a particular month, Recipient shall submit the LACMTA Monthly Progress/Expenditure Report indicating no dollars were expended that month. The allowability of costs for LACMTA's own expenditures submitted to Recipient as LACMTA Project Costs shall be in compliance with Modified OMB A-87. The allowability of costs for LACMTA's contractors, consultants and suppliers submitted to Recipient through the LACMTA Monthly Progress/Expenditure Report shall be in compliance with Modified OMB A-87 or Federal Acquisition Regulations Subpart 31, whichever is applicable.

B7.6 Recipient, and/or its designee, shall have the right to conduct annual and a final audit of the LACMTA Project Costs. Alternatively, Recipient may rely on the annual and final Measure M audit completed by LACMTA. Recipient will commence a final audit (if any) within six months of receipt of an acceptable final LACMTA Monthly Progress/Expenditure Report, provided the LACMTA Project Costs are ready for final audit (meaning all costs and charges have been paid by LACMTA, and such costs, charges and invoices are properly documented and summarized in the accounting records to enable an audit without further explanation or summarization including actual indirect rates for the period covered by the Agreement period under review). LACMTA agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). LACMTA shall not use the Funds for any expenditure not in compliance with **Section B7.3** and/or not in compliance with other terms and conditions of this Agreement.

B7.7 LACMTA's records shall include, without limitation, LIMS reports, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files (including documentation covering negotiated settlements), invoices, and any other supporting evidence reasonably necessary for Recipient to substantiate charges related to the LACMTA Project Costs (all collectively referred to as "**records**") shall be open to inspection and subject to audit and reproduction by Recipient auditors or authorized representatives to the extent necessary for Recipient to adequately permit evaluation of expended costs. Such records subject to audit shall also include, without limitation, those records necessary for Recipient to evaluate and verify, direct and indirect costs, (including overhead allocations) as they may apply to costs associated with the LACMTA Project Costs. These records must be retained by LACMTA for three years following final payment for LACMTA Project Costs. LACMTA shall include language in its contracts with contractors, consultants, and suppliers requiring them to comply and cooperate with the requirements of this **Section B7.7**.

B7.8 Recipient and its duly authorized representatives, upon reasonable written notice shall be afforded reasonable access to all of the records of LACMTA related to the LACMTA Project Costs to the extent reasonably practicable. LACMTA shall include language in its

contracts with contractors, consultants, and suppliers requiring them to allow Recipient reasonable access to all of the records of the contractor, consultant, or supplier related to the LACMTA Project Costs to the extent reasonably practicable.

B7.9 Recipient and its duly authorized representatives, upon reasonable written notice, shall have access to the offices of LACMTA, shall have access to all necessary records, including reproduction (at no charge to Recipient), and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the terms and conditions of this Agreement as they relate to audits of LACMTA Project Costs.

B7.10 Recipient or their representative shall, upon completion of the audit, present the preliminary audit findings and recommendations to the LACMTA. A draft audit report shall be provided to LACMTA for review and comments. LACMTA shall provide Recipient written comments as to acceptance or rejection of audit findings within 90 days after LACMTA's receipt of draft audit report.

B7.11 All Recipient audit findings are subject to dispute resolution in accordance with the dispute resolution process set forth in **Section B12.2**. When Recipient's final audit findings require LACMTA to return any Funds to Recipient, and to the extent LACMTA does not dispute such findings, LACMTA shall return the undisputed monies within thirty (30) days after that final audit is sent to LACMTA. To the extent LACMTA disputes such final audit findings, and such dispute is resolved in Recipient's favor, LACMTA shall return such disputed Funds to Recipient within thirty (30) days after such resolution. For purposes of this section, LACMTA return of the disputed Funds does not entail actually providing the disputed Funds to Recipient. LACMTA return of the disputed Funds shall mean the disputed funds are not eligible as LACMTA Project Costs and therefore LACMTA shall not reimburse such disputed expenses with the Funds.

B7.12 LACMTA and /or its designee shall be responsible for performing costs audits of contractors, consultants, and suppliers regarding expenditures charged as LACMTA Project Costs with contracts exceeding \$650,000, or the Federal audit threshold, whichever is greater. Such audits will be conducted by a CPA firm or LACMTA audit department and done in compliance with Government Auditing Standards. The audits will audit the costs to verify compliance to Modified OMB A-87 or FAR Subpart 31 (whichever is applicable) and this Agreement. To avoid duplication of efforts, Recipient shall have access to LACMTA's auditors' work.

B7.13 Notwithstanding anything in this Agreement to the contrary, the provisions of this **Section B7** shall not apply to any contractor, consultant, or supplier performing work pursuant to (i) a fixed-rate or time and materials contract (except for any cost reimbursement portion of the contract) or (ii) a fixed price contract that has been procured competitively; provided, however, that **Section B7** shall apply to the costs and records of any contractor, consultant, and supplier to the extent that such costs and records directly relate to a change order, claim, or formal dispute.

B7.14 LACMTA shall certify monthly invoices by reviewing all contractor and subcontractor costs and maintaining internal control to ensure that all expenditures are allocable,

allowable and reasonable and in accordance with Modified OMB A-87 or FAR Subpart 31 (whichever is applicable) and the terms and conditions of the Agreement.

B7.15 LACMTA shall also certify final costs of the LACMTA Project Costs to ensure all costs are in compliance with Modified OMB A-87 or FAR Subpart 31 (whichever is applicable) and the terms and conditions of the Agreement.

B7.16 Whenever possible, in exercising its audit rights under this Agreement, Recipient shall rely on LACMTA's own records and audit work, and minimize direct audit of contractors, consultants, and suppliers.

B8. SOURCES AND DISPOSITION OF FUNDS:

B8.1 Recipient shall fully fund and contribute the Recipient Funding Commitment, as identified in the Project Funding, towards the cost of the Project. Once Recipient demonstrates it has met its estimated Recipient Funding Commitment of \$42,206,122 LACMTA will acknowledge that Recipient has satisfied its Recipient Funding Commitment contemplated in the Ordinance. For accounting purposes only, adding the \$42,206,122 to the one-time grant in the amount of \$1,364,664,635, makes the total project cost equal to \$1,406,870,757

To date, LACMTA acknowledges that Recipient has provided estimates showing how it intends to satisfy the first \$33,000,000 of the total Recipient Funding Commitment. The estimates include lump sum estimates of the amounts each city along the Project has contributed and will contribute as in-kind services toward the Project. These services are included in the master cooperative agreements with each city which will be reviewed by LACMTA to ensure services are related to the delivery of the Project. To support the estimates, Recipient shall provide LACMTA with documentation between each city and Recipient (the "City Documentation") evidencing (i) for services performed from the beginning of the environmental phase and prior to the date of this Agreement, the city's agreement that it has provided the designated services at a value meeting or exceeding the value indicated in the estimate, and (ii) for services yet to be performed, the city's agreement that it will provide the designated services at a value anticipated to meet or exceed the value indicated in the estimate. Once LACMTA has concurred that the lump sum amount indicated in the City Documentation is a reasonable cost for the services provided, then such lump sum amount will be applied to the Recipient Funding Commitment. At the end of the Project, Recipient shall obtain a letter from each city certifying that it provided the services set forth in its respective City Documentation.

In order to secure the balance of the Recipient Funding Commitment, Recipient intends to use any authorized eligible sources, including additional in-kind services consistent with Measure M guidelines approved by LACMTA or possibly entering into agreements for local first/last mile investments which, if used, shall be consistent with the First/Last Mile Policy attached as Attachment I and any station area First and Last Mile plans approved by LACMTA. LACMTA is currently developing the criteria and procedures for local first/last mile investments within transit capital projects. Recipient shall comply with the LACMTA criteria and procedures in implementing the first/last mile investments if such investments are used. Further, Measure M allows LACMTA to withhold Measure M local return funds for up to 15 years if a local jurisdiction fails to meet its 3% contribution to the Project. If requested by Recipient, LACMTA

is willing to make available this Measure M enforcement right to ensure Recipient meets its Recipient Funding Commitment.

For purposes of this Agreement, “**Recipient Funding Commitment**” shall include cash under the sole control of Recipient, eligible in-kind contributions from any of the jurisdictions adjacent to the right of way (such as waiver of permitting fees, and city staff time from the beginning of the environmental phase through the end of the warranty period) consistent with the terms stipulated in this Section B8.1, local return funds, local funding contributions for active transportation capital improvements and first/last mile investments, as provided under the terms in this Section B8.1, and the appraised value of land; provided, however, land provided by LACMTA under the Trust Agreement does not count toward the Recipient Funding Commitment.

B8.2 Subject to **Section B7.4**, if the Funds identified in Project Funding (**Attachment B**) are insufficient to complete the Project, Recipient agrees to secure and provide the additional non-LACMTA programmed funds necessary to complete the Project. Recipient shall be responsible for any and all cost overruns for the Project, except to the extent such cost overruns are part of LACMTA Project Costs.

B8.3 Recipient shall be eligible for the Funds up to the allocation amount specified in **Section A2** of this Agreement, and up to any increase that may be authorized by the LACMTA Board pursuant to this Agreement. Any expenditure by Recipient prior to the execution of this Agreement shall not be reimbursed from the Funds, without the prior written consent of LACMTA.

B8.4 If Recipient receives outside funding for the Project in addition to the Funds identified in the Project Funding as of the date of this Agreement, **Attachment B** of this Agreement shall be revised to show such additional funding. Recipient cannot make any change to the Project Funding that would require an increase in the amount of the Funds without LACMTA’s written approval, including any changes to the Recipient Funding Commitment.

B8.5 If at the time of final invoice or voucher funding for the Project (including the Funds, Recipient Funding Commitment, and any additional funding), the aggregate amount of Project Funding exceeds the actual Project costs, then the cost savings shall be applied in the same proportion as the sources of funds from each party to this Agreement as specified in the Project Funding and both the Funds and Recipient Funding Commitment required for the Project shall be reduced accordingly. The application of cost savings as described in this **Section B8.5** shall not occur until the “Completion of Phase II of the Project” as that term is defined in the Trust Agreement.

B8.6 This is a onetime only grant, subject to the terms and conditions agreed to herein.

B9. **DEFAULT:** Recipient’s material failure to comply with the terms and conditions contained herein and/or in the Ordinances shall constitute a Default.

B10. **REMEDIES:**

B10.1 In the event of a Default by Recipient, LACMTA shall provide written notice of such Default to Recipient with a 60-day period to cure the Default. In the event Recipient or its designee fails to cure the Default within the 60-day period, or if the nature of the Default is such that more than 60-days are reasonably required for its cure, Recipient or its designee has not commenced a cure within the 60-day period and thereafter diligently prosecuted such cure to completion, LACMTA shall have the following remedies: (i) LACMTA may terminate this Agreement with LACMTA Board approval; (ii) LACMTA may make no further disbursements of Funds to Recipient; and/or (iii) LACMTA may recover from Recipient any Funds disbursed to Recipient and used in material breach of this Agreement, as allowed by law or in equity. Any disputes over the existence of a Default or the cure of the Default shall be resolved pursuant to the dispute resolution process set forth in **Section B12.2**.

10.2 Effective upon receipt of written notice of termination from LACMTA, Recipient shall not undertake any new work or obligation with respect to this Agreement unless so directed by LACMTA in writing. Any Funds expended after termination shall be the sole responsibility of Recipient.

B11. COMMUNICATIONS AND RECOGNITION OF METRO AND MEASURE M FUNDING:

B11.1 Recipient shall ensure that all Communication Materials contain recognition of LACMTA's contribution to the Project. For purposes of this Agreement, "Communications Materials" include news releases and advisories, op-ed pieces when appropriate, Power Point presentations made to the general public, newsletters, fact sheets, websites, signage on Project construction sites and any other material public facing documents.

B11.2 Recipient shall ensure that at a minimum, all Communications Materials shall include (i) the phrase "A Measure M project funded by Metro"; or (ii) the Metro logo. Further guidance on acknowledging LACMTA contribution and key messaging is provided in the Communications Materials guidelines available from the LACMTA Communications Department.

B11.3 Recipient shall notify Metro's Public Relations Department with 30-day advance notice (whenever possible) of planned press events (such as press conferences, media availability and photo opportunities, and any milestone events, i.e., groundbreakings and openings) that relate to shared issues. The Recipient and the LACMTA Communications staff shall coordinate to include Metro executives and board members in such public relations activities as appropriate.

B11.4 Recipient shall meet with the LACMTA Communications Department on a regular basis to discuss and collaborate on high-level messaging related to shared issues.

B11.5 When either Recipient or LACMTA receives public comments or communications from elected officials, key stakeholders or the public that relate to the other partner organization, the staff will share those communications with the other entity's communications staff.

B11.3 The Metro logo is a trademarked item that shall be reproduced and displayed in accordance with specific graphic guidelines available from the LACMTA Communications Division.

B11.4 Recipient shall ensure that any subcontractor, including, without limitation, public relations, public affairs, and/or marketing firms hired to produce Project Communications Materials will comply with the requirements contained in this **Section B11**.

B12. OTHER TERMS AND CONDITIONS:

B12.1 This Agreement, along with its Attachments, and the MCA, constitute the entire understanding between the parties with respect to the subject matter herein. The Agreement shall not be amended, nor any provisions or breach hereof waived, except in writing signed by the Chief Executive Officers of the parties, or their designees.

B12.2 All disputes under this Agreement shall be resolved by the Chief Executive Officers of LACMTA and Recipient. If the Chief Executive Officers are unable to resolve the matter, either Party may institute legal action to recover damages for any default, or to obtain specific performance or to pursue any other rights or remedy available to it at law or in equity. Such legal actions must be instituted in the Superior Court of the County of Los Angeles, State of California.

B12.3 In the event that there is any court proceeding between the parties to enforce or interpret this Agreement, or to protect or establish any rights or remedies hereunder, the prevailing party shall be entitled to its costs and expenses, including reasonable attorney's fees.

B12.4 Neither party hereto shall be considered in default in the performance of its obligations hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, acts of a public enemy, lawsuit seeking to restrain, enjoin, challenge or delay construction of the Project and government acts beyond the reasonable control and without fault or negligence of the affected party. Each party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this Agreement. Notwithstanding anything to the contrary in this Agreement, an extension of time for any such cause shall be for the period of time reasonable in light of the enforced delay.

B12.5 The schedule included in **Attachment D** hereto shall be extended by the period of time commensurate with any extension of time under the Design/Build Contract(s) (as that term is defined in the MCA) resulting from Force Majeure (as that term is defined in the Design/Build Contract(s)).

B12.6 Recipient shall comply with and insure that work performed under this Agreement is done and accounted for in compliance with Generally Accepted Accounting Principles (GAAP), and all applicable provisions of federal, state, and local laws, statutes, ordinances, rules, regulations, and Modified OMB A-87 or Federal Acquisition Regulations Subpart 31 (whichever is applicable), and the applicable requirements in the MCA. Recipient acknowledges responsibility for obtaining copies of and complying with the terms of the most recent federal, state, or local laws and regulations.

B12.7 The Parties acknowledge that the insurance and indemnification obligations of Recipient relating to the Project are set forth in the MCA.

B12.8 Recipient agrees that the applicable requirements of this Agreement shall be included in every contract entered into by Recipient or its contractors relating to work performed under this Agreement. For purposes of this **Section B12.8**, the applicable requirements are **Sections B3.3, B3.6, Section B6** (to the extent applicable), **Section B11**, and **Section B12.6** (exclusive of the reference to Modified OMB A-87).

B12.9 Recipient shall not assign this Agreement, or any part thereof, without prior approval of the LACMTA Chief Executive Officer or his designee, and any assignment without that consent shall be void and unenforceable.

B12.10 This Agreement shall be governed by California law.

B12.11 If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

B12.12 The covenants and agreements of this Agreement shall inure to the benefit of, and shall be binding upon, each of the parties and their respective successors and assigns.

B12.13 If any software is developed with the Funds and if Recipient ceases to use the software/ for public purposes or Recipient sells, conveys, licenses or otherwise transfers the software, LACMTA shall be entitled to a refund or credit, at LACMTA's sole option, equivalent to the amount of the Funds spent developing the software. Such refund or credit shall not be required if Recipient reinvests the proceeds of such sale, conveyance, license or transfer into the Project.

B12.14 Parking facilities are part of the Project and will be designed and/or constructed using the Funds. Recipient shall coordinate with LACMTA parking program staff (see METRO.net for staff listing) in the planning, design and management requirements of the facility and shall ensure that its implementation is consistent with the LACMTA adopted parking policy in effect as of the date that the RFP for the Alignment Design/Build Contract (as that term is defined in the MCA) is released. For the parking policy, see www.metro.net/projects_studies/call_projects/other_resources.htm. Any proposed joint use parking arrangements shall be subject to prior LACMTA written approval.

B12.15 Notice will be given to the parties at the address specified in **Section A13** unless otherwise notified in writing of change of address.

B12.16 Recipient in the performance of the work described in this Agreement is not a contractor nor an agent or employee of LACMTA. Recipient attests to no organizational or personal conflicts of interest and agrees to notify LACMTA immediately in the event that a conflict, or the appearance thereof, arises. Recipient shall not represent itself as an agent or employee of LACMTA and shall have no powers to bind LACMTA in contract or otherwise.

B12.17 Time is of the essence in connection with each and every provision of this Agreement. Both parties agree to diligently and expeditiously: (i) process all requests from the other party made pursuant to the provisions of this Agreement, and (ii) take all actions required by this Agreement.

B12.18 This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one agreement. Photocopies of this Agreement may be used as originals.

B12.19 Facsimile copies of signatures on this Agreement shall be deemed valid and original.

Vista Avenue, San Dimas Avenue, Walnut Avenue, San Dimas Canyon Road, Wheeler Avenue, A Street, D Street, E Street, and multiple channel crossings, as well as the undercrossing at SR-57. This segment contains an existing freight track that will be relocated and remain active during the entire Project.

This segment of the Project has one center platform passenger station in San Dimas (east of San Dimas Avenue) and one center platform passenger station in La Verne (east of E Street). The San Dimas parking structure will contain a minimum of 450 stalls with a vehicular connection to Arrow Highway. The La Verne parking structure will contain a minimum of 600 stalls with a vehicular connection to Arrow Highway. Both the San Dimas station and the La Verne station will have a pedestrian connection from the parking facility to the platform via a pedestrian undercrossing.

White Avenue to Freight/Metrolink Tie-in Segment

This segment of the alignment is approximately 1.9 miles, runs mainly at-grade, and includes two at-grade crossings at White Avenue and Fulton Avenue, two grade separations at Garey Avenue and Towne Avenue, as well as a channel crossing. This segment of the alignment contains an existing single track freight alignment and existing sidings that will be relocated and remain active during the entire Project. The Metrolink commuter rail tracks are immediately to the south of the LRT tracks in this segment and will not be disturbed with the exception of improvements to the grade crossing warning systems.

This segment of the Project has one center platform station in Pomona (west of Garey Avenue). The Pomona parking structure will include a minimum of 850 spaces with a vehicular connection to a new access road located north of the parking structure. The parking structure shall be connected to the LRT station via a pedestrian overcrossing.

Freight/Metrolink Tie-in to Claremont

This segment of the alignment is approximately 1.5 miles, runs mainly at-grade, and includes four at-grade crossings at Cambridge Avenue, Indian Hill Boulevard, College Avenue, and Claremont Boulevard, as well as a channel crossing. This segment of the alignment contains an existing dual track freight/Metrolink commuter rail alignment that will be relocated and remain active during the entire construction of the Project.

This segment of the Project has one center platform LRT station in Claremont (west of College Avenue). The Claremont station will have an at-grade pedestrian connection from both ends of the platform. The Claremont parking facility will consist of a structure located east of College Avenue and north of the LRT tracks as well as a parking lot, and will include a minimum of 1260 spaces. In addition, a new Metrolink platform will be constructed approximately 800 feet west of College Avenue with a pedestrian undercrossing that connects to the Claremont parking structure to the north and the recreational area to the south.

PROJECT MILESTONES/SCHEDULE

Following are the agreed upon Project milestones, and a schedule for achieving those milestones.

MILESTONES

TARGET DATES

Phase 2B Alignment Ground Breaking	October 2017
Alignment Design/Build Contract	
Award Contract	December 2018
Substantial Completion	January 2026
Final Acceptance	January 2027
CPUC Approval of Safety Certification	May 2027
ROD	June 2027

provision then in effect and applicable, as determined by LACMTA in consultation with its bond counsel.

Recipient will designate one or more persons that will be responsible for compliance with the obligations described in this Attachment E and notify LACMTA of such designations.

REVISED

Unified Cost Management Process and Policy **for Measure R Projects** **(amended January 22, 2015)**

(Note: Underlines and strike-outs that were from original Board-adopted Policy document were inadvertently included in this Attachment. These have been removed. Only the language in Section 11 is new and remains underlined).

Introduction

The MTA will follow a unified cost management process and policy for the control and minimization of project costs for the Measure R transit and highway projects. At the core of the unified cost control management process and policy is a commitment to follow a new step-by-step evaluation of project costs against possible resources to address project shortfalls. Shortfalls that cannot be addressed at the project level by value engineering or other measures, such as changes in the scope of the project, will be subject to a new stepwise evaluation process.

The new step-by-step cost management process will require the MTA Board to review and consider approval of project cost estimates against funding resources at key milestone points throughout the environmental, design, and construction phases of the Measure R transit and highway projects. At each milestone, MTA staff is directed to: (1) submit a project that is consistent with the budget; (2) identify any issues when a project is not consistent with the budget; and (3) propose corrective actions before the project advances further, if it is not consistent with the budget. For Measure R funds, the planned funding resources (including any prior Measure R expenditures) shall not exceed the amount shown in the "New Sales Tax Total" column of the Measure R expenditure plan. At each milestone, the planned funding resources shall not exceed the amounts shown. These key milestones include the following decision points:

- 1) Selection of conceptual design alternatives to be studied in the environmental phase;
- 2) Selection of the Locally Preferred Alternative and entrance into the Preliminary Engineering phase;
- 3) Approval of the final environmental document and entrance into the final design phase;
- 4) Establishment of a life-of-project budget prior to construction; and,
- 5) Any amendment to the life-of-project budget.

If increases in cost estimates occur, the MTA Board must approve a plan of action to address the issue prior to taking any action necessary to permit the project to move to the next milestone. Increases in cost estimates will be measured against the 2009 Long Range Transportation Plan as adjusted by subsequent actions on cost

estimates taken by the MTA Board. Shortfalls will first be addressed at the project level prior to evaluation for any additional resources using these methods in this order:

- 1) Value Engineering and or scope reductions;
- 2) New local agency funding resources;
- 3) Shorter segmentation;
- 4) Other cost reductions within the same transit or highway corridor;
- 5) Other cost reductions within the same sub-region; and finally,
- 6) Countywide transit cost reductions or other funds will be sought using pre-established priorities.

The objective of the cost management process and policy is to insure the prompt development and consideration of project cost alternatives that genuinely address the cost controls necessary to successfully deliver all Measure R transit and highway corridor projects.

Process and Policy Detail

The unified cost management processes and policies that are proposed controls are as follows:

- 1) A regional long-range transportation plan (covering at least 20 years) for Los Angeles County shall be adopted at least once every five years. For interim years, staff will report on changes affecting the major financial assumptions of the plan and progress toward the implementation of new projects and programs. The plan update report shall also highlight Board approved actions taken during the interim period that affect the plan outcomes or schedules (*from Financial Stability Policy*);
- 2) MTA shall complete projects accelerated through the 30/10 Initiative in the same sequence as the adopted 2009 Long Range Transportation Plan (LRTP) (*from 30/10 Initiative Position Statement*);
- 3) MTA shall only utilize pledged federal assistance from the 30/10 Initiative if the construction and financing costs are less than the available funds (adjusted for inflation) planned in the adopted 2009 LRTP, unless those costs are being adjusted by the minimum necessary to accomplish an operable segment for the corridor (*from 30/10 Initiative Position Statement*);
- 4) Measure R transit corridor and highway projects shall be presented separately for approval by the Board in a step-by-step cost control process that will evaluate project cost estimates against funding resources at key milestones points throughout the environmental, design, and construction phases of the 30/10 transit projects. For Measure R funds, the planned funding resources (including any prior Measure R expenditures) shall not exceed the amount shown in the "New Sales Tax Total" column of the Measure R expenditure plan. These key milestones include the following decision points:
 - a. Selection of conceptual design alternatives to be studied in the environmental phase;

- b. Selection of the Locally Preferred Alternative and entrance into the Preliminary Engineering phase;
 - c. Approval of the final environmental document and entrance into the Final Design phase;
 - d. Establishment of a life-of-project budget prior to construction; and,
 - e. Any amendment to the life-of-project budget.
- 5) At any of the milestones above, the MTA will seek to control and minimize Measure R transit and highway project costs prior to taking any action necessary to permit the project to move to the next milestone. Cost minimization efforts will be measured against the 2009 Long Range Transportation Plan as adjusted by subsequent actions on cost estimates taken by the MTA Board. Shortfalls will first be addressed at the project level prior to evaluation for any additional resources using these methods in this order:
- a. Value engineering and/or scope reductions;
 - b. New local agency funding resources;
 - c. Shorter segmentation;
 - d. Other cost reductions within the same transit or highway corridor (see Attachment B);
 - e. Other cost reductions within the same sub-region (See Attachment B); and,
 - f. Countywide transit and highway cost reductions and/or other funds will be sought using pre-established priorities, as follows:
 - i. Where applicable, Measure R Transit Capital Subfund Contingency-Escalation Allowance funds (Measure R Expenditure Plan, Page 2 of 4, Line 18);
 - ii. Where applicable, Measure R Highway Capital Subfund Contingency-Escalation Allowance funds (Measure R Expenditure Plan, Page 3 of 4, Line 39); and,
 - iii. Where Line 18 is not applicable, the LRTP Near-Term Strategies and Priority Setting Criteria will be followed (Item 9, as Adopted by the Board of Directors in March 2010).

Each Measure R transit or highway project will be considered on a case-by-case basis at each milestone and a rationale developed if resources from the prior step above are insufficient or not recommended for good reason. The MTA Board will be presented with all viable options and will have the sole authority to make any final funding and project delay decisions.

- 6) Prior to inclusion in the annual budget, Measure R transit corridor and highway projects shall be presented separately for approval by the Board for a life-of-project budget. Subsequently, capital projects with life-of-project budget changes that cause the project to exceed \$1 million or if the change exceeds \$1 million shall be presented to the Board for approval (*from Financial Stability Policy*);
- a. Prior to life-of-project budget approval, the MTA shall compare the sum of the cost of the Measure R transit and highway projects to date and the

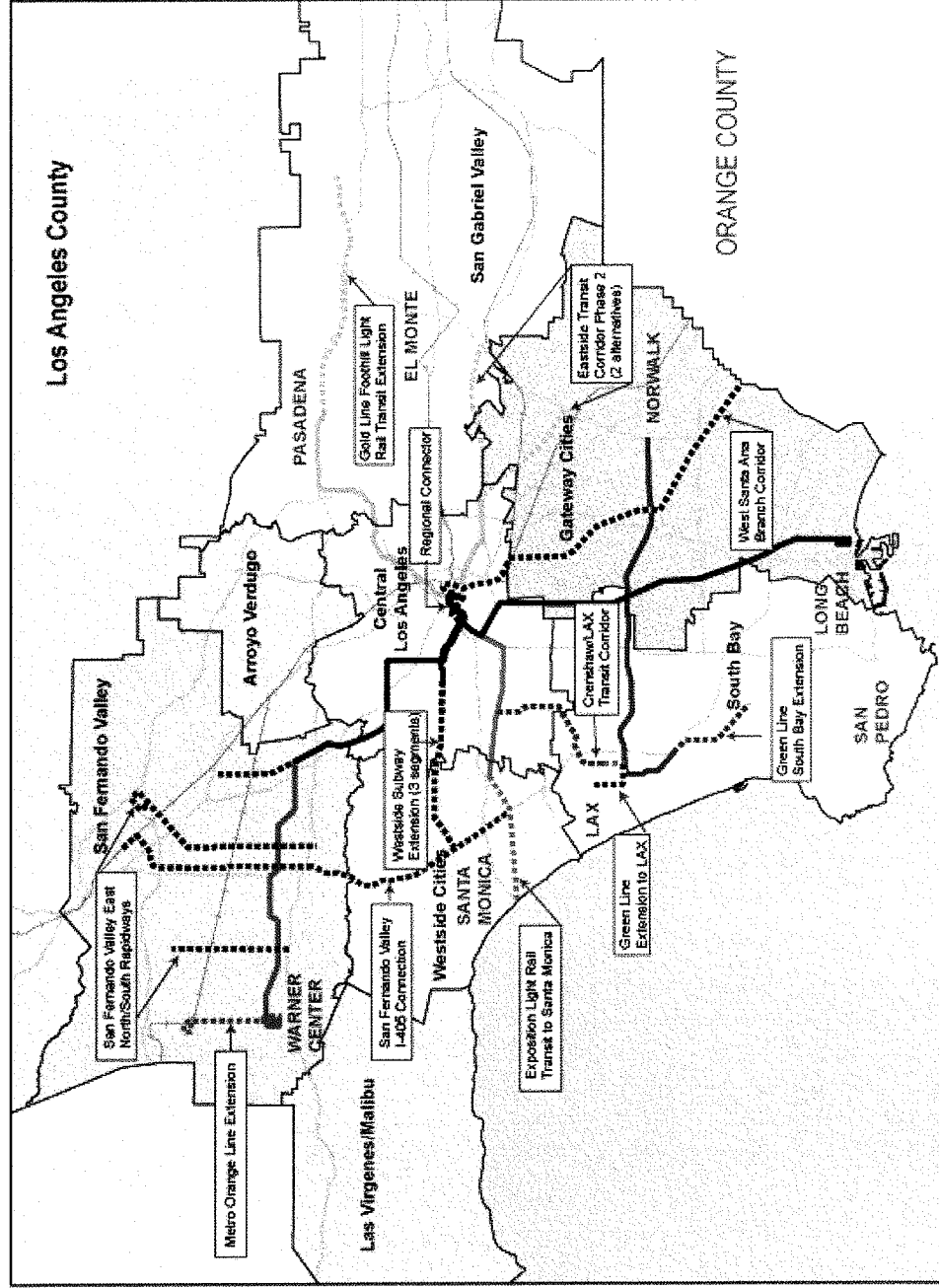
proposed life of project budget (as de-escalated) to the most up-to-date LRTP funding forecast for Measure R transit and highway projects. If the life-of-project budget is less than the anticipated funds available as compared to the up-to-date LRTP funding forecast, then MTA can approve the life of project budget. If the life-of-project budget are more than the available funds, then MTA would not execute a construction contract unless the MTA Board approved cost reductions, project delays or other funding to make up the difference (*modifies and would supersede language from the body of 30/10 Initiative Position Statement*);

- 7) Prior to approval of a life-of-project budget that exceeds currently committed revenues and prior to approval of a life-of-project budget cost increase, MTA staff will evaluate the possibility of securing the necessary cost savings or revenues for the project. Within the parameters of the MTA Board's policy not to seek transit funds from highway resources, or vice-versa, staff will first seek to identify cost and/or additional funds in a step-by-step manner from:
 - a. Value engineering and/or scope reductions;
 - b. New local agency funding resources;
 - c. Shorter segmentation;
 - d. Other cost reductions within the same transit or highway corridor;
 - e. Other cost reductions within the same sub-region; and,
 - f. Countywide transit cost reductions and/or other funds will be sought using pre-established priorities, as follows:
 - i. Where applicable, Measure R Transit Capital Subfund Contingency-Escalation Allowance funds (Measure R Expenditure Plan, Page 2 of 4, Line 18);
 - ii. Where applicable, Measure R Highway Capital Subfund Contingency-Escalation Allowance funds (Measure R Expenditure Plan, Page 3 of 4, Line 39); and,
 - iii. Where Line 18 is not applicable, the LRTP Near-Term Strategies and Priority Setting Criteria will be followed (Item 9, as Adopted by the Board of Directors in March 2010).
- 8) A specific MTA Board action is required to re-program highway capital project funding for use on transit or highway capital projects as a result of 30/10, unless such re-programming does not result in a net decrease to the highway capital project funding (*from 30/10 Initiative Position Statement*);
- 9) Likewise, a specific MTA Board action is required to re-program transit capital project funding for use on highway capital projects as result of 30/10, unless such re-programming does not result in a net decrease to the transit capital project funding (*from 30/10 Initiative Position Statement*); and,
- 10) Any capital project savings above \$200,000 must return to the Board for approval prior to the reprogramming or transfer of funds to other projects or programs (from Financial Stability Policy).

- 11) A Regional Facility Area has been established, separate from subregional planning areas, which include Los Angeles International Airport (LAX), Burkank Bob Hope Airport, Long Beach Airport, Palmdale Regional Airport; the Ports of Long Beach and Los Angeles; and Los Angeles Union Station. Any capital project cost increases to Measure R funded projects within the boundaries of these facilities are exempt from the corridor and subregional cost reduction requirements of 7(d) and 7(e) above. Cost increases regarding these projects will be addressed from the regional programs share.

ATTACHMENT B

Measure R Transit Corridor Map With Sub-regional Boundaries



ATTACHMENT B**PROJECT FUNDING**

Metro Gold Line Foothill Extension Phase 2B Glendora to Claremont
(in millions of dollars escalated to the year of the expenditure) Initial Draft 05-18-17

Capital Project 865202 Sources of Funds	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Total
Measure R 35%	4.1	3.2	9.0	20.5	35.3	24.4								96.5
Measure M					78.3	99.9	153.6	166.2	129.1	132.9	150.1	82.3	26.6	1,019.0
Transit and Intercity Rail Capital Program (TIRCP)						36.2	36.1	54.2	54.2	36.1	18.1	9.0	5.4	249.2
Local Contributions					6.1	6.1	9.2	9.2	6.1	3.1	1.5	0.9		42.2
Total Project Funding	4.1	3.2	9.0	20.5	119.7	166.6	198.9	229.5	189.4	172.1	169.7	92.2	32.1	1,406.9

ATTACHMENT C

Expenditure Plan - Cost and Cashflow Budget

Metro Gold Line Foothill Extension Phase 2B Glendora to Claremont

(in millions of dollars escalated to the year of the expenditure) Initial Draft 05-18-17

Capital Project 865202 Uses of Funds	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Total
Pre-Construction	3.5	3.0	2.3	1.4	21.0	7.3								38.5
Construction					26.3	77.6	137.8	168.9	128.6	96.7	84.8	11.6		732.3
Right of Way					30.0	36.0	3.0							69.0
Professional Services	0.6	0.2	6.6	16.6	19.4	19.7	19.4	19.6	19.8	20.4	20.8	17.9		181.0
Project Contingency					19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	13.0	165.0
Vehicles										10.0	30.0	29.0	15.0	84.0
Metro Costs			0.1	2.5	3.0	5.0	17.4	18.0	18.0	21.0	10.1	10.3	3.0	108.3
Metro Contingency					1.0	2.0	2.3	4.0	4.0	5.0	5.0	4.4	1.1	28.8
Total Project Costs	4.1	3.2	9.0	20.5	119.7	166.6	198.9	229.5	189.4	172.1	169.7	92.2	32.1	1,406.9

ATTACHMENT D

SCOPE OF WORK

The Phase 2B project will provide a light rail transit (LRT) system linking the cities of Azusa, Glendora, San Dimas, La Verne, Pomona, and Claremont, and will involve relocation and reconfiguration of existing freight and Metrolink commuter rail track. The Project includes approximately 11.7 miles of double light rail main track; tail tracks beyond the Claremont platform; new bridges; improvements to existing culverts; retaining walls and sound walls; embankment improvements; drainage and storm water improvements; five at-grade passenger stations; five parking structures; intermodal interfaces; traction electrification system comprised of traction power supply substations (TPSS) and overhead contact system (OCS); grade crossings and adjacent roadway/traffic signal improvements; station equipment; wayside equipment; communications systems; approximately 10.4 miles of freight rail track and associated siding relocations and improvements; light rail train control/signaling system; freight track signaling system; approximately 1.3 miles of Metrolink track relocation and signaling, including Positive Train Control (PTC); a new Claremont Metrolink platform on the Metrolink Corridor; landscaping; and all related appurtenances, accessories, subsystems, documentation, procedures, spare parts, manuals, and special tools.

Light rail vehicles (LRV), universal fare system (UFS) equipment, the radio system for the LRT system, the rail operations control (ROC) facility, and the light rail supervisory control and data acquisition (SCADA) system will be provided by Metro.

A general overview of the Project alignment is provided below:

Foothill Gold Line Pasadena to Azusa Tail Track to Gladstone Avenue Segment

This segment of the alignment is approximately 4.4 miles, runs mainly at-grade, and includes eight at-grade crossings at Barranca Avenue, Foothill Boulevard/Grand Avenue (freight only), Vermont Avenue, Glendora Avenue, Pasadena Avenue, Glenwood Avenue, Elwood Avenue, Loraine Avenue, grade separations at Foothill Boulevard/Grand Avenue (LRT only), SR66, Lone Hill Avenue, and multiple channel crossings. This segment of the alignment contains an existing freight track which will be relocated and remain active during the entire construction of the Project.

This segment of the Project has one center platform station in Glendora between Vermont Avenue and Glendora Avenue. The Glendora parking structure will contain a minimum of 420 stalls with a vehicular connection to Vermont Avenue, as well as pedestrian connections to Vermont Avenue, Glendora Avenue, and the LRT Platform. The Glendora station will have a pedestrian connection from the parking facility to the platform via a pedestrian undercrossing.

Gladstone Avenue to White Avenue Segment

This segment of the alignment is approximately 3.9 miles, runs mainly at-grade, and includes 11 at-grade crossings at Gladstone Avenue, Eucla Avenue, Bonita Avenue/Cataract Avenue, Monte

ATTACHMENT E

BOND REQUIREMENTS

The provisions of this Attachment E apply only if and to the extent some or all of the Funds are derived from LACMTA issued Bonds or other debt, the interest on which is tax exempt for federal tax purposes and/or Build America Bonds as defined in the American Reinvestment and Recovery Act of 2009 or similar types of bonds (collectively, the “**Bonds**”) as set forth in **Section A7**.

Recipient acknowledges that some or all of the Funds may be derived from Bonds, the interest on which is tax-exempt for federal tax purposes or with respect to which LACMTA receives a Federal subsidy for a portion of the interest cost or the investor receives a tax credit. Recipient further acknowledges its understanding that the proceeds of the Bonds are subject to certain ongoing limitations relating to the use of the assets financed or provided with such proceeds (“Project Costs” or “Project Components”) in the trade or business of any person or entity other than a governmental organization (any such use by a person or entity other than a governmental organization is referred to as “Private Use”). Private Use will include any sale, lease or other arrangement pursuant to which a nongovernmental person or entity receives a legal entitlement of a Project Component and also includes certain agreements pursuant to which a nongovernmental person will operate or manage a Project Component. Each monthly invoice submitted by Recipient to reimburse prior expenditures (or to be received as an advance) shall provide information regarding the specific Project Costs or Project Components to which the Funds which pay that invoice will be allocated and whether there is or might be any Private Use associated with such Project Costs or Project Components. Recipient will, for the entire time over which LACMTA’s Bonds or other debt remains outstanding, (1) notify and receive LACMTA’s approval prior to entering into any arrangement which will or might result in Private Use and (2) maintain records, including obtaining records from contractors and subcontractors as necessary, of all allocations of Funds to Project Costs or Project Components and any Private Use of such Project Costs or Project Components in sufficient detail to comply and establish compliance with Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”), or similar code provision then in effect and applicable, as determined by the LACMTA in consultation with its bond counsel.

With respect to the investment of any Funds advanced to Recipient pursuant to **Section A3.2** hereof or otherwise, and any earnings derived from the investment of such Funds, Recipient will record and maintain the following information such that LACMTA can comply and establish compliance with Section 148 of the Code, or similar code provision then in effect and applicable, as determined by LACMTA in consultation with its bond counsel: (i) the purchase date of each investment, (ii) the purchase price, (iii) information establishing that the purchase price is the fair market value as of such date (for example, the published quoted bid by a dealer in such investment on the date of purchase), (iv) any accrued interest paid, (v) the face amount of, (vi) the coupon rate, (vii) the periodicity of interest payments, (viii) the disposition price, (ix) any accrued interest received upon disposition, and (x) the disposition date. Recipient will make such information available to the LACMTA promptly after request. Recipient will also adhere to any investment instructions or limitations, as directed by LACMTA, which are necessary to comply and establish compliance with Section 148 of the Code or similar code

ATTACHMENT F

FEDERAL TRANSPORTATION IMPROVEMENT PROGRAM (FTIP) SHEET

Los Angeles Metropolitan Transportation Authority 2017 Federal Transportation Improvement Program (\$000)

TIP ID

LA29212XY

Implementing Agency

Metro Gold Line Foothill Extensio

Project Description: METRO RAIL GOLD LINE FOOTHILL EXTENSION - AZUSA TO CLAREMONT (LA County Line) 12 MILE, 5 STATION LRT EXTENSION. SAFETEA-LU # 285 LEAD AGENCY WILL CHANGE TO METRO GOLD LINE. PS&E only.

SCAG RTP Project #: 1120008

Study: YES Is Model: YES Model #: T275

PM: Crandal Jue - (626) 305-7010

Email: cjue@foothillextension.org

LS: N LS GROUP#:

Conformity Category: TCM

System :Transit

Route :

Postmile:

Phase: Environmental Document/Pre-Design Phase (PAED)

Completion Date 12/31/2035

Transit Rt: n/a

Transit Mode: Bus

Fare:1.50

Trans Fee:0.00

Prk Ride Loc:

Air Basin: SCAB

Envir Doc: CATEGORICALLY EXEMPT - 12/31/2001

Headway Peak: N/A Headway OP: N/A Stop Time :0.00 Parking \$: Stop Dist:

Uza: Los Angeles-Long Beach-Santa Ana

Sub-Area:

Sub-Region:

Program Code: LRN92 - LIGHT RAIL EXTENSION Stop Loc: Glendora

CTIPS ID: 20920002603

EA #:

PPNO:

	PHASE	PRIOR	16/17	17/18	18/19	19/20	20/21	21/22	BEYOND	PROG	TOTAL
	PE										
	RW										
	CON										
	SUBTOTAL										
CITY - City Funds	PE							\$0			\$0
	RW							\$0			\$0
	CON							\$42,206			\$42,206
	SUBTOTAL							\$42,206			\$42,206
Cap And Trade Program	PE					\$0	\$0	\$0	\$0		\$0
	RW					\$0	\$0	\$0	\$0		\$0
	CON					\$42,700	\$51,624	\$51,624	\$103,250		\$249,198
	SUBTOTAL					\$42,700	\$51,624	\$51,624	\$103,250		\$249,198
MM35 - Measure M 35% Transit Construction	PE				\$0	\$0	\$0	\$0	\$0		\$0
	RW				\$0	\$20,377	\$20,000	\$11,000	\$0		\$51,377
	CON				\$55,479	\$94,759	\$139,976	\$164,960	\$512,449		\$967,623
	SUBTOTAL				\$55,479	\$115,136	\$159,976	\$175,960	\$512,449		\$1,019,000
MR35 - Measure R 35% New Rail or Bus Transit Capital	PE	\$0	\$0	\$0	\$0	\$0					\$0
	RW	\$0	\$0	\$0	\$10,000	\$9,623					\$19,623
	CON	\$7,243	\$8,000	\$24,989	\$36,612	\$0					\$76,844
	SUBTOTAL	\$7,243	\$8,000	\$24,989	\$46,612	\$9,623					\$96,467
	TOTAL	\$7,243	\$8,000	\$24,989	\$102,091	\$167,459	\$211,600	\$269,790	\$615,699		\$1,406,871
	TOTAL PE: \$0				TOTAL RW: \$71,000				TOTAL CON: \$1,335,871		

Los Angeles Metropolitan Transportation Authority

2017 Federal Transportation Improvement Program (\$000)

TIP ID **LA29212XY**

Implementing Agency **Metro Gold Line Foothill Extensio**

- **General Comment:** Latest LOP will be approved in the June 2017 Board meeting
- **Modeling Comment:** Latest LOP will be approved in the June 2017 Board meeting
- **TCM Comment:** Latest LOP will be approved in the June 2017 Board meeting
- **Narrative:** Project cost increased by \$1,371,341 and by 3,859.67%

Increase Funding

TCSPPP:

— Delete funds in 06/07 in ENG for \$2,900

5309b:

— Delete funds in 15/16 in ENG for \$12,983

5309c:

— Delete funds in 15/16 in ENG for \$12,541

AGENCY:

— Delete funds in 06/07 in ENG for \$3,944

AGENCY:

— Delete funds in 07/08 in ENG for \$1,565

AGENCY:

— Delete funds in 10/11 in ENG for \$1,597

CAPTRAD:

► Add funds in 19/20 in CON for \$42,700

CAPTRAD:

► Add funds in 20/21 in CON for \$51,624

CITY:

► Add funds in 21/22 in CON for \$42,206

CAPTRAD:

► Add funds in 21/22 in CON for \$51,624

CAPTRAD:

► Add funds in 22/23 in CON for \$51,625

CAPTRAD:

► Add funds in 23/24 in CON for \$51,625

MR35:

► Add funds in 14/15 in CON for \$4,249

MR35:

► Add funds in 15/16 in CON for \$2,994

MR35:

► Add funds in 16/17 in CON for \$8,000

MR35:

► Add funds in 17/18 in CON for \$24,989

MM35:

► Add funds in 18/19 in CON for \$55,479

MR35:

► Add funds in 18/19 in ROW for \$10,000, CON for \$36,612

MR35:

► Add funds in 19/20 in ROW for \$9,623

MM35:

► Add funds in 19/20 in ROW for \$20,377, CON for \$94,759

MM35:

► Add funds in 20/21 in ROW for \$20,000, CON for \$139,976

MM35:

► Add funds in 21/22 in ROW for \$11,000, CON for \$164,960

MM35:

► Add funds in 22/23 in CON for \$136,933

MM35:

► Add funds in 23/24 in CON for \$98,860

MM35:

► Add funds in 24/25 in CON for \$137,856

MM35:

► Add funds in 25/26 in CON for \$63,826

MM35:

► Add funds in 26/27 in CON for \$52,208

MM35:

► Add funds in 27/28 in CON for \$14,738

MM35:

► Add funds in 28/29 in CON for \$8,028

Total project cost increased from \$35,530 to \$1,406,871

Last Revised Amendment 17-11 - In Progress

Change reason: COST INCREASE

Total Cost **\$1,406,871**

ATTACHMENT G-1-A
MONTHLY PROGRESS/EXPENDITURE REPORT

METRO GOLD LINE FOOTHILL EXTENSION PHASE 2B
CONTRACT AE12345 PAYMENT ESTIMATE
SUMMARY

PROJECT:

CONTRACT:

CONTRACTOR:

PAY ESTIMATE#:

Period Ending:

Run Date:

			PREVIOUS			CURRENT			TO DATE		
Award Amount	\$	-	EARNINGS:	\$	-	\$	-	\$	-		
Executed Modifications	\$	-	RETENTION:								
Approved Change Orders	\$	-	Other	\$	-	\$	-	\$	-		
CURRENT CONTRACT VALUE	\$	-	Release	\$	-	\$	-	\$	-		
			Liq Damages	\$	-	\$	-	\$	-		
Less: Earnings to Date	\$	-	PAYMENT:	\$	-	\$	-	\$	-		
CONTRACT BALANCE TO EARN	\$	-									

CONTRACTOR:

I HEREBY CERTIFY, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT THIS ESTIMATE REPRESENTS A CORRECT AND JUST STATEMENT OF THE WORK PERFORMED. FURTHERMORE, I CERTIFY THAT THE WORK COMPLETED TO DATE, UNDER THIS CONTRACT, IS IN FULL ACCORDANCE WITH THE TERMS OF THE CONTRACT DOCUMENTS. PLEASE ACCEPT THIS AS A DULY EXECUTED AFFIDAVIT THAT ALL SUBCONTRACTORS AND/OR SUPPLIERS WHO HAVE PERFORMED ANY WORK ON THE PROJECT TO DATE HAVE BEEN PAID THEIR PROPORTIONATE SHARE OF ALL PREVIOUS PAYMENTS FROM THE MTA. I CERTIFY UNDER PENALTY OF PERJURY, UNDER THE LAWS OF THE STATE OF CALIFORNIA, THAT THE FOREGOING IS TRUE AND CORRECT.

MGL FOOTHILL EXTENSION CFO

DATE

ATTACHMENT G-1-A

MONTHLY PROGRESS/EXPENDITURE REPORT

**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
INVOICE SUMMARY**

MOU Authority

Supplier No. 12345

Federal Tax ID Number: 94-1234567

ADDRESS

PROJECT

Contract No.

AE12345

PERIOD

Period Ending xx/xx/xx

INVOICE

(Pay Estimate #)

INVOICE DATE

P.O. NO.

CURRENT CONTRACT VALUE

AWARD AMOUNT

EXECUTED MODIFICATIONS

APPROVED CHANGE ORDERS

TOTAL CURRENT CONTRACT VALUE **\$** -

Less Earnings to Date **\$** -

CONTRACT BALANCE **\$** -

CURRENT MONTH

INVOICE AMOUNT

EXECUTED MODIFICATIONS **\$** -

APPROVED CHANGE ORDERS **\$** -

INVOICE TOTAL **\$** -

RETENTION **\$** -

NET PAYMENT **\$** -

ACCOUNTING DEPARTMENT - PLEASE POST TO:

ACCOUNT CODINGS

TASK

865202 Various-list to the right

COST CENTER

EXPENDITURE TYPE

PO#

LINE

TASK/DESCRIPTION

AMOUNT

AE12345-865519 1 1.2.01 EXAMPLE

AE12345-865519 2 1.2.02 EXAMPLE

AE12345-865519 3 1.2.03 EXAMPLE



\$ -

CURRENT INVOICE TOTAL **\$** -

ATTACHMENT G-2

LACMTA MONTHLY PROGRESS/EXPENDITURE REPORT

**METRO GOLD LINE
FOOTHILL EXTENSION PHASE 2B
MONTHLY EXPENDITURE REPORT FOR
LACMTA PROJECT COSTS**

Grantee To Complete
Invoice #
Invoice Date
MOU#
Purchase Order #
Monthly Report #

Month Year Report

SECTION 1: MONTHLY EXPENSE REPORT FOR PROJECT EXPENDITURES

Please itemize grant-related charges for this Month on Page 2 of this report and **include totals in this Section.**

	Measure M + R \$	Other funding sources (please specify) \$	Total \$
Project Monthly Expenditure			
This Month Expenditure	0.00	0	0.00
Project-to-Date Expenditure			
Funds Expended to Date (Include this Month)	0.00	0	0.00
Task Number	0.00	0	0.00
% of Project Budget Expended to Date	0.00%	0	0.00%
Balance Remaining	0.00	0	0.00

ATTACHMENT G-2
LACMTA MONTHLY PROGRESS/EXPENDITURE REPORT

SECTION 2: ITEMIZED LISTING OF EXPENSES AND CHARGES THIS MONTH FOR PROJECT EXPENDITURES

All expenses and charges, including grant and local match, must be itemized and listed below. Each item listed must be verifiable by an invoice and/or other proper documentation. The total amounts shown here must be equal to this month's expenditures listed on the previous page. All expenses and charges must be reflective of the approved budget per the Foothill Extension Funding Agreement. Use additional pages if needed.

ITEM		INVOICE #	TOTAL EXPENSES / CHARGES	\$ CHARGED TO LACMTA
1	Metro Staff Costs	N/A	\$0.00	\$0.00
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
TOTAL			\$0.00	\$0.00

Note:

All receipts, invoices, and time sheets, attached and included with this Expense Report must be listed and shown under the Invoice Number column of the Itemized Listing (above).

Invoice Payment Information:

LACMTA will make all disbursements electronically unless an exception is requested in writing.

ACH Payments require that you complete an ACH Request Form and fax it to Accounts Payable at 213-922-6107.

ACH Request Forms can be found at www.metro.net/callforprojects.

Written exception requests for Check Payments should be completed and faxed to Accounts Payable at 213-922-6107.

I certify that I am the responsible Project Manager or fiscal officer and representative of _____ and that to the best of my knowledge and belief the information stated in this report is true and correct and recipient's own expenditures comply with OMB A-87.

Signature

Date

Name

Title

ATTACHMENT H

EXTRA ALLOWABLE COST LIST

Costs relating to the following list of items, which are otherwise unallowable under OMB A-87, are considered allowable under this Agreement if the cost is otherwise not prohibited by this Agreement.

1. Advertising and Public Relations (Section 2)
 - a. Section 2.e.(2) (a) - Displays, demonstrations and exhibits.
 - b. Section 2.e.(2) (b) - Meeting rooms for business purposes.
 - c. Section 2.e.(2) (c) - Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations and providing briefings.
 - d. Section 2.e.(3) - Promotional items and memorabilia, including models, gifts and souvenirs.
2. General Government Expenses (Section 23)
 - a. Section 23.a.(2) – Salaries and other expenses for similar local governmental bodies whether incurred for purposes of legislation or executive direction.
3. Idle Facilities and Idle Capacity (Section 24)
 - a. Section 24.b – Idle facilities cost for the one train depot.
4. Insurance (Section 25)
 - a. Section 25.h – Commercial insurance premium for Errors and Omissions insurance that protects against the cost of contractors for correction of the contractor's own defects in material or workmanship.
5. Interest (Section 26)
 - a. Section 26.b - Finance cost related to advancement of money for Design Build financing expenses.

ATTACHMENT I

METRO'S FIRST/LAST MILE POLICY FOR MAJOR TRANSIT CORRIDORS

** ATTACHMENTS AVAILABLE UPON REQUEST*

BOARD REPORT INCLUDES FIRST/LAST MILE ELEMENTS



Board Report

File #:2016-0615, **File Type:**Motion / Motion
Response

Agenda Number:12.

REVISED
PLANNING AND PROGRAMMING COMMITTEE
NOVEMBER 16, 2016

SUBJECT: FIRST/LAST MILE MOTION RESPONSE

**ACTION: RECEIVE AND FILE REPORT ON APPROACH AND RESOURCES NEEDED TO
IMPLEMENT FIRST/LAST MILE MOTION AND AUTHORIZE CHIEF EXECUTIVE
OFFICER TO TAKE ACTION TO IMPLEMENT FIRST/LAST MILE MOTION**

RECOMMENDATION

CONSIDER:

- A. RECEIVING AND FILING status report on **work approach and resource needs to implement the Metro Board's First/Last Mile Motions 14.1 and 14.2**; and
- B. AUTHORIZING the Chief Executive Officer to take action to implement Board Motions 14.1 and 14.2.

ISSUE

On May 26, 2016, the Metro Board passed Motion 14.1 on first/last mile implementation. Motion 14.1 was subsequently amended by Motion 14.2 on June 23, 2016. The Board requested that staff report back on the Purple Line Section 2 in June 2016 and the balance of the motion at the October 2016 Board meeting. On June 15, 2016, staff reported to the Planning and Programming Committee on the Purple Line Section 2 and indicated that a full report back to the Board would occur in October 2016. As directed, this report comprehensively responds to Motions 14.1 and 14.2.

As outlined in detail in the financial impact section of this report, the total cost to implement the motions' multiple directives is estimated to be \$16.5 million for professional services and 6 additional full-time employees over a period of 4.5 years.

DISCUSSION

On May 26, 2016, the Metro Board passed Motion 14.1 on first/last mile implementation (Attachment E). The motion, subsequently amended by Motion 14.2 (allowing first/last mile active transportation improvements to be counted toward the 3% local contribution for rail projects) is expansive in scope and scale and has implications agency-wide and countywide. This comprehensive directive will

improve safety, livability and access to transit. Through Board Motion 14.1, staff is directed to:

- Conduct first/last mile planning for 254 station areas in the county;
- Implement first/last mile improvements to coincide with the completion of the Purple Line Section 2;
- Incorporate the newly-designated Countywide First/last Mile Priority Network into the Long-Range Transportation Plan;
- Facilitate first/last mile improvements initiated by local jurisdictions through technical and grant assistance; and
- Establish first/last mile improvements into the project delivery process for future transit capital projects.

Motion 14.2 (Attachment F) allows city-funded first/last mile projects to count toward the 3% local contribution for rail projects. It should be noted that under provisions in Measure R, funding assumptions for future transit capital rail projects typically already account for the 3% local contribution in the project cost, which does not include first/last mile improvements. The Board-mandated inclusion of first/last mile components will increase the total project cost. Further, the actual cost of implementing first/last mile improvements will be determined through planning for each station area, will vary by project, and may be greater or less than the 3% contribution. Notably, while the Measure M ballot measure going to the voters on November 8 includes important provisions regarding 3% local contributions, this Board report addresses provisions and circumstances as they exist today for projects under Measure R.

This Board report adds definition and describes the cost and resource implications of the specific activities set forth in the motion. It details an approach to conduct first/last mile planning and incorporate first/last mile elements into future transit capital projects. In summary, the motion necessitates five new projects/programs:

- Transit Capital Projects Guidelines to Integrate First/Last Mile
- Purple Line Sections 2 and 3 First/Last Mile Planning and Design
- Countywide First/Last Mile Planning
- Grant/Funding Technical Assistance
- Matching Grant Program

Implementing all the mandated work will require 6 full-time employees (FTEs), including 4.5 FTEs supporting various aspects of program development and project planning and up to 1.5 FTEs supporting grant and technical assistance. Without this additional staffing, only a small subset of the directed work (Purple Line Planning and Capital Project Guidelines) can be accomplished in the near term, and then only by substantially delaying the following other initiatives:

- Grant-writing Assistance (as directed by Motion 14.1)
- Countywide FLM Planning and Design (as directed by Motion 14.1)
- Parks Access Motion
- Urban Greening Implementation Action Plan and Demonstration Projects
- First/Last Mile Training

- Affordable Housing and Sustainable Communities Strategy
- Annual Sustainability Report/Sustainability Metrics Update
- Sustainability Demonstration San Gabriel Valley COG
- Sustainability Demonstration Gateway Cities COG

We have identified a need for \$12.5 million for professional services over four fiscal years assuming the recommended staffing, and an additional need of up to a total of \$20 million to directly fund matching grants over a similar time frame. As detailed in this report, this resource estimate is based on comparable prior work efforts, and as such, should be viewed as the most accurate appraisal of the work possible at this time.

The approach detailed herein calls for intensive efforts to implement Board direction over four fiscal years (FY17-FY20). Due to time sensitivity and commitments described in staff's June 15, 2016 report to the Planning and Programming Committee, our first priority will be to implement first/last mile components of the Purple Line and to prepare guidelines pertinent to all future capital projects. Attachment D details the prioritization of work described in this Board report, along with an alternative scenario for deferred work efforts in the absence of additional staffing.

This report does not identify capital costs for a build-out of the Countywide First/Last Mile Priority Network, including future transit capital projects. The addition of first/last mile improvements to future transit capital projects as mandated by the Board has implications for the scope and total cost of those projects which will be reported to the Board on an on-going basis as each individual project progresses.

Context and Prior Activities

Staff recognizes the far-reaching implications of Motions 14.1 and 14.2, and is well prepared to carry out the specified directives. Metro has played a vital role in advancing sustainability goals in the region and has focused on the concept of the first/last mile and sustainability in the county for many years, including planning and implementing a regional transportation system that increases mobility, fosters walkable and livable communities, and minimizes greenhouse gas emissions and environmental impacts. Metro took a leadership role on sustainability issues with the development of the 2012 Countywide Sustainability Planning Policy and Implementation Plan (CSPP). Through this policy, the agency defined long-term sustainability outcomes to facilitate greater coordination across modes, planning disciplines and government agencies. The concept of first/last mile fits squarely within the community and environmental dimensions of sustainability and was further developed in the First/Last Mile Strategic Plan (FLM Plan), which Metro adopted in April 2014. An outgrowth of the CSPP, the FLM Plan provides a path to systematically address the first/last mile challenge.

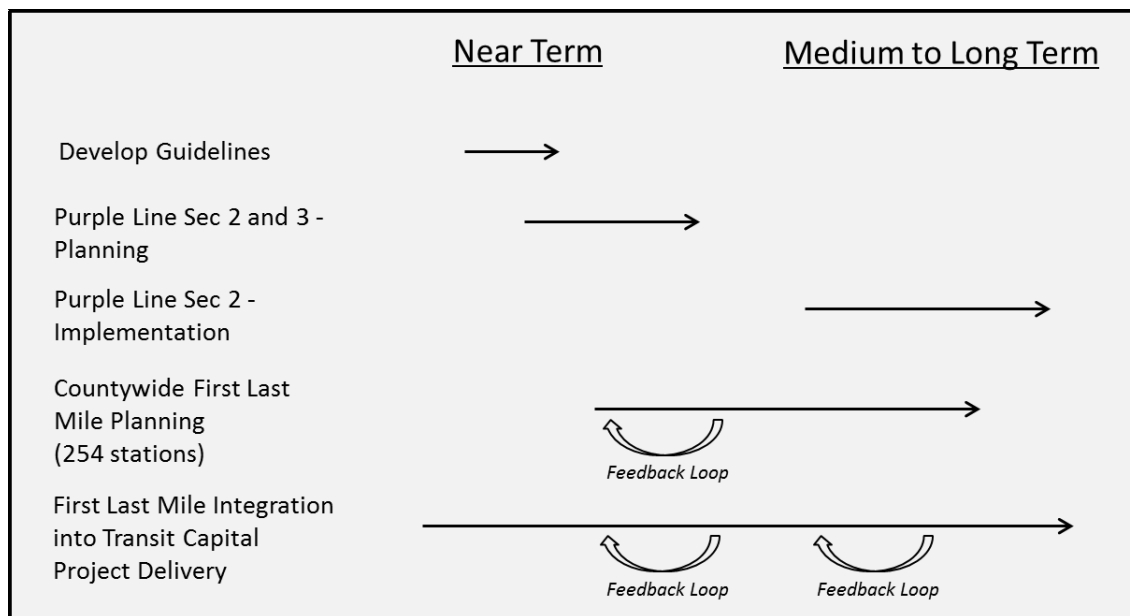
On May 26, 2016, the Metro Board of Directors adopted the Active Transportation Strategic Plan (ATSP) and designated the Countywide First/Last Mile Priority Network (Attachment A). Included in the ATSP is the Regional Active Transportation Network. By adopting the ATSP, Metro has adopted a comprehensive plan to increase access and mobility throughout the county that facilitates easier and safer walking and biking. By designating the Countywide First/Last Mile Priority Network, Metro is on the forefront of improving and enhancing the transit customer's experience accessing Metro

stations.

To continue improving access to Metro's transit system, Motion 14.1 recognizes that first/last mile projects complement the transit system by providing mobility options, safety and choice. Further, by encouraging transit use and mode shift, Metro aims to achieve sustainability goals in the region that support the RTP/SCS and state goals for reduced greenhouse gas emissions.

The tasks directed by Board Motion 14.1 and 14.2 will play out over the course of several years taking into account approach, scope development, procurement, funding, and construction. In addition, feedback loops will be in place at key deliverables to ensure that the interrelated elements are continually being improved. See Figure 1 below.

Anticipated Timeline for Motion Items Addressed in this Report
Figure 1



As outlined in the ATSP, implementation of the Regional Active Transportation Network and first/last mile projects requires close collaboration among different disciplines, jurisdictions and community stakeholders. Staff will rely on the methods and strategies outlined in both the ATSP and the First/Last Mile Strategic Plan to engage Metro departments and the community, and to partner with cities and the County of Los Angeles for unincorporated areas in order to implement these station access projects.

As Metro works to accomplish the directives specified in the first/last mile motion over the next several years, staff will evaluate the effects of these improvements on access to transit, vehicle miles traveled and greenhouse gas emissions. The forthcoming guidelines on first/last mile project delivery will identify additional performance metrics to ascertain how these projects improve transit access and measures of sustainability. The results will enable Metro to be flexible and innovative with

respect to how first/last mile projects are delivered.

Work Approach

As described above, Motions 14.1 and 14.2 necessitate five distinct projects requiring FTEs and professional services, as well as direction impacting on-going Metro activities such as the Call for Projects and Long Range Transportation Plan. The intended approach for each of these activities is described below in prioritized order. Priority is based on both time sensitivity as well as cost-effectiveness. Activities to implement major capital projects are first priority in order to align first/last mile planning and implementation with the timelines for the larger transit capital projects. Other activities (Call for Projects, LRTP, and Grant Assistance) are high priorities due to their lower resource demands relative to anticipated benefits.

1. Transit Capital Projects - Purple Line Section 2 and Beyond

Integrating the First/Last Mile Priority Network into the planning, design and implementation of capital projects is an important piece of the Board's overall direction in Motion 14.1 and will require several layers of effort. The work consists of guidelines development and Purple Line Section 2 first/last mile planning.

For projects that follow Purple Line Section 2, Metro will develop a set of guidelines to direct this full integration and carry out the Board's objectives. Pursuant to Director Solis' amendment to Motion 14.1, this will include Foothill Gold Line Phase 2B Extension to Claremont. These guidelines will cover process, timing, and funding considerations for including first/last mile network improvements in future capital projects. Guidelines **will not** cover how to develop a first/last mile plan, as this is already sufficiently laid out in the First/Last Mile Strategic Plan and the Active Transportation Strategic Plan. The following elements are anticipated for the guidelines:

- *Appropriate phasing of first/last mile planning and implementation activities within the context of a larger capital project (see working draft Attachment C for reference).* All projects will have a consolidated construction process, with first/last mile components included in the project scope and carried out in tandem. Ideally, first/last mile efforts will also be included in the planning and environmental review stages, but projects that are further along will be assessed on a case-by-case basis. Some projects (e.g., those with completed environmental clearances) will necessitate standalone first/last mile planning processes in order to "catch up" prior to implementation. Attachment C provides a snapshot of project planning, design, and implementation phases, and notes the stage of development of all current capital projects.
- *Delineation of responsibility between Metro and municipalities for planning and project delivery.* It is anticipated that Metro will have the lead role in planning, with input and review from cities. Project delivery will likely vary on a case-by-case basis in consideration of the given city's capacity. Guidelines will lay out considerations and options for shared roles, such as Metro leading project delivery with a minimal local review role; a city leading project delivery based on planned improvements and Metro review; or hybrids. In all cases, this collaborative process will result in a project plan for first/last mile improvements containing

specific agreed-upon components to be implemented. Project plans will focus on access improvements within the ½ mile walk-shed of each station, with some components possible up to three miles based on the bicycle access distance as defined in both the First/Last Mile and Active Transportation strategic plans and local active transportation planning efforts.

- *Funding considerations including the application of the 3% local contribution toward first/last mile components.* First/last mile components will be part of the overall project costing and, as specified in Board direction, will be defined, integral parts of the overall project not subject to value-engineering. The municipality will be able to apply the 3% local contribution toward any eligible improvement included in the project plan as described above, and conversely, may not count other active transportation investments that are not included in the project definition. Guidelines will also establish exclusions (e.g. on-going sidewalk maintenance, mitigation obligations, etc.) that cannot be counted toward the 3% contribution.

Process, Approach, and Resources

The Financial Impact section in this report will describe the level of effort and resources needed to carry out this direction. Briefly summarized, the process will entail:

- Metro will procure a consultant to assist in the development of these guidelines.
- A technical working group will be formed in order to capture input and advice from affected Metro departments and local agencies.
- An approximately 12-month development timeline (including time for procurement).

In terms of level of effort, First/Last Mile Implementation Guidelines are comparable to the development of other guidance documents that coordinate and direct internal processes for construction projects and communicate expectations and roles for external partners. For example, the Active Transportation Design Criteria and Metro's Countywide Urban Greening Plan include tasks for internal and interagency research and coordination and provide cross-agency guidance for future projects. We have referenced and compared scope elements from these projects in order to estimate the cost to develop the FLM Implementation Guidelines. See Financial Impact section for details.

As reported in June 2016, Metro will engage an additional consultant under a separate contract to prepare an FLM project plan for the Purple Line Section 2 (Attachment G). For efficiency, we also anticipate including Purple Line Section 3 stations in this planning effort. This will involve collaboration with the cities of Los Angeles and Beverly Hills, analysis of existing conditions data, conducting walk audits, and engaging communities in the station area, resulting in conceptual designs to serve each station. Further, this effort will develop detailed costing and a financial plan for Section 2. The financing plan for the Section 3 project will need to include the FLM components which will inform future decision points on FLM implementation. Environmental review for the FLM components will also be included in this overall effort, as environmental review for the transit project itself has already been completed. The work to develop a plan for the Purple Line is comparable to the planning, design, and environmental work previously done for the Gold Line Eastside Access project. See Financial Impact section for details.

While this aspect of first/last mile implementation will have resource implications beyond the specific areas discussed here (guidelines and Purple Line planning), including increases to scope for

individual projects as well as the longer-term costs for project construction, we are not estimating the additional resource needs at this time. Rather, cost implications for individual projects will be reported to the Board as each project progresses through planning and implementation phases.

2. Existing Fund Sources / Capital Grant Prioritization / Long Range Transportation Plan

Review and Assessment of Existing Fund Sources

The Metro Board of Directors requested staff to develop a funding strategy to implement first/last mile improvements identified in the Countywide First/last Mile Priority Network. Specifically, the Board requested staff under Motion 14.1, B.4 to “dedicate funding for the Countywide First/last Mile Priority Network in the ongoing Long-Range Transportation Plan update, including a review of first/last mile project eligibility for all Prop A, Prop C, and Measure R capital funding categories.” This is our assessment.

The Board-adopted ATSP includes Chapter 3: Implementation, which contains a summary of all eligible funding sources for implementation of the Countywide First/Last Mile Priority Network. This summary includes not only Proposition A, Proposition C, and Measure R, but also the other local, state, and federal sources eligible for first/last mile improvements. Importantly, eligible fund sources are not necessarily available fund sources. A key part of the next long range plan will be the reconciliation and prioritization of multiple funding demands against these projected revenue streams.

Currently, the Long Range Transportation Plan funds first/last mile improvements through the Metro Call for Projects (Call). Under previous direction from the Board, staff prioritized first/last mile projects in the 2015 Call for Projects. The Board may elect to increase the share of funding dedicated to first/last mile projects in future Calls, based on the priority of this investment compared to others.

As noted above, Metro’s Grant Assistance Policy has been successful in securing funding for first/last mile projects, and will be expanded, per Board direction.

Capital Grant Prioritization

At the May 2016 Board meeting, the Metro Board directed staff to prioritize funding for the Countywide First/Last Mile Priority Network in Metro grant programs, including the creation of a dedicated first/last mile category in the Call for Projects.

In response to a June 25, 2015 Board motion (Item 16), staff is working with the Subregional Executive Directors Group on a restructured Call process to share Call decision-making with the subregional agencies while meeting federal and state requirements. Staff has briefed Metro’s Technical Advisory Committee, Streets and Freeways Subcommittee, Bus Operations Subcommittee, and the General Managers Group on this approach. As reported to the Planning and Programming Committee on August 18, 2016, the next Call funding cycle is on pause while this concept is further developed and the LRTP funding assessment referenced above is completed. Staff will report back to the Board as future Call funding availability is assessed through the upcoming Long Range Transportation Plan process. As the Call restructuring process evolves, first/last mile improvements may be prioritized beyond just its inclusion as an evaluation criterion in the 2015 Call

for Projects.

Long Range Transportation Plan - FLM Eligibility Review

The Metro Board also directed staff to support the ATSP by dedicating funding in the LRTP update for the First/Last Mile Priority Network, including a review of first/last mile project eligibility for all Propositions A and C and Measure R capital funding categories. As the LRTP is updated over the next year, funding for first/last mile improvements will be identified.

Activities described in this section relate to consideration of first/last mile in on-going efforts, and therefore do not involve additional resource needs.

3. Technical Assistance

Through Motion 14.1, the Board has directed Metro staff to provide technical and grant writing support to local jurisdictions wishing to deliver first/last mile projects. Staff recommends augmenting the existing Metro Grant Assistance Policy, which provides ongoing grant-writing technical assistance to projects applying to the state Active Transportation Program (ATP). This Board-adopted grant assistance program focuses on the implementation of Metro-adopted active transportation projects, programs, and policies such as the Active Transportation Strategic Plan (ATSP) and the First/Last Mile Strategic Plan and Planning Guidelines. Project selection, which is based on applications submitted voluntarily by local jurisdictions, prioritizes:

- Consistency with ATP and Metro goals
- Provision of local matching funds
- Funding needs greater than \$1 million

Under this existing policy, Metro is well-positioned to provide additional support for local jurisdictions seeking ATP funding to advance first/last mile projects around transit stations on the Countywide First/Last Mile Priority Network (Attachment A) identified in the ATSP and the first/last mile Board motion.

Schedule

Grant schedules vary by program. A typical grant-writing technical assistance schedule can take four to five months.

The Letters of Interest (LOI) solicitation process can easily be modified to accommodate projects of an appropriate dollar amount that have been developed and prioritized through a first/last mile planning process, are consistent with Metro's First/Last Mile Strategic Plan and Planning Guidelines and correspond with the availability and timing of funding for implementation. Additionally, the schedule could be augmented to allow for grant assistance in pursuing awards from other discretionary grant programs. The Affordable Housing and Sustainable Communities, Highway Safety Improvement Program, Transportation Investment Generating Economic Recovery program, and various Federal Transit Administration programs may also have funding eligible for first/last mile projects.

There could be opportunities to combine a match funding program with the grant assistance program,

so that promising first/last mile projects receive both matching funds and grant assistance from Metro to assist in efforts to obtain discretionary grant funds.

The Financial Impact section of this report details the resource needs associated with technical assistance. Staff's estimation in this area is based solely on an expansion of the existing grant assistance program to support a larger pool of applications.

4. Countywide First/Last Mile Planning

Motion 14.1 directed staff to conduct first/last mile planning for all existing and under construction Metro rail stations, Orange and Silver Line stations, 100 top ridership bus stops and all regional rail stations. In total, we identified 254 stations that fall under the definition in Motion 14.1 for first/last mile planning. See Attachment B for the list of stations and methodology utilized to determine them.

Per the motion, staff will apply the first/last mile planning methodology detailed in the First/Last Mile Strategic Plan (currently underway for all 22 Blue Line stations) to 254 locations. We anticipate 42 months to develop and complete first/last mile plans for these 254 locations (inclusive of start-up time for hiring and procurement). We will develop a more detailed schedule to describe the sequencing of planning work and include this in a status report to the Planning and Programming Committee within six months. The comprehensive countywide planning approach will entail innovative community engagement and in-the-field walking audits, and will result in funding-ready conceptual plans.

Through a grant from the state's Active Transportation Program (ATP), Metro is currently conducting the first/last mile planning work for the 22 Blue Line stations. This is the first time comprehensive first/last mile improvements have been planned for an entire rail line in the county. Part of the planning process includes innovative community engagement strategies tailored to the areas along the Blue Line. Successes and lessons learned from the Blue Line first/last mile effort will be applied to countywide first/last mile planning. In addition to other sources, the Blue Line First Last Mile Plan was used to approximate costs for first/last mile planning countywide.

The resource requirements for countywide first/last mile planning, including full-time employees (FTEs) and professional services needs, are covered in the Financial Impact section.

5. Countywide First/Last Mile Priority Network Funding Match Program

The ability to create and identify funding for a new Countywide First/Last Mile Priority Network funding match program, separate from existing Metro funding and grant programs, is highly dependent on the passage of the ballot measure in November 2016. If the ballot measure passes, an array of new funding sources will be available that could directly fund such a program or be used to free up other revenues from existing Metro projects/programs that will be directly funded through the ballot measure. Absent the passage of the ballot measure, the funding of a new match program will require that the Metro Board make tradeoffs with existing Metro projects/programs, including the redirection of funds that would otherwise be made available through programs such as the Call for Projects.

The intent of a Countywide First/last Mile Priority Network funding match program would be to support local agencies in securing funds from state and federal discretionary programs such as the state Active Transportation Program (ATP), as the availability of matching funds is often a criteria for award. It is proposed that Metro's funding match program focus on first/last mile improvements to existing transit stations within the Countywide First/Last Mile Priority Network consistent with the improvement plans developed for each station as discussed above (new transit stations will already incorporate such elements into their project scope and funding plans). Local jurisdictions may be able to utilize as a local match the total transit corridor/station project funding on grant applications for first/last mile elements of new stations and those jurisdictions would not be precluded from pursuing state and federal discretionary program funds.

Staff will develop a specific proposal for the matching grant program that will maximize the leveraging capacity of Metro funds, including but not limited to, the discretionary state Active Transportation Program. The Financial Impact section of this report preliminarily identifies a need of \$20 million per bi-annual grant cycle on this basis.

Role of On-Going Related Efforts

Motions 14.1 and 14.2 create a new slate of efforts within the existing Countywide Active Transportation and Sustainability Program that will have synergies with closely related on-going active transportation work. This section describes areas of potential overlap and coordination opportunities for selected initiatives. It should be noted that staff will revisit project timelines for the Active Transportation and Sustainability Program as a whole, in light of the added workload, and will provide on-going updates to the Ad Hoc Sustainability Committee on progress. As described above and in Attachment D, the absence of additional resources will necessitate substantial delay of work.

- **ATSP Implementation:** Multiple actions in the first/last mile motion overlap with implementation items in the Active Transportation Strategic Plan and will be coordinated by staff.
- **Urban Greening:** Metro completed an Urban Greening Plan and toolkit in October 2015. In January 2016, the Board subsequently approved an Implementation Action Plan to direct additional activities related to urban greening, including creating a set of demonstration projects. As Metro develops plans for first/last mile access improvements, we will also consider opportunities for urban greening interventions including storm water capture and infiltration, urban heat island reduction, and sustainable landscaping. Metro will use the newly completed toolkit for guidance in this effort and will seek to develop best practices going forward. Proceeding in this way will reinforce the role of green infrastructure in place-making and improving the physical environment and transit, help position projects to compete for funding sources that emphasize multiple benefits (especially cap-and-trade), and reduce the likelihood of non-coordinated multiple projects impacting local rights-of-way.
- **First/Last Mile Training:** As part of the previously committed set of first/last mile implementation activities, Metro has initiated a training program geared toward local staff and elected officials. The training instructs participants on how to plan, fund, and implement

first/last mile projects, and was intended originally to prompt cities to take a lead role in delivering projects. At this time, Metro is working with our selected consultant to adjust the curriculum for trainings in order to describe a more collaborative approach wherein cities will be working closely with Metro to plan and deliver projects.

- **Parks Access Motion:** On June 23, 2016, the Metro Board approved a motion directing a planning effort to better link transit to parks and open space. A separate report on this agenda responds to that motion describing a planning process to identify specific opportunities for connectivity projects and demonstrations and an assessment of access issues countywide. Pertinent to the first/last mile motion, all planning work for station areas will consider nearby open space and parks as key destinations for transit riders, and will identify project components that will improve connectivity where appropriate.

FINANCIAL IMPACT

Adoption of the recommendations would have impacts to the agency as described below.

Motions 14.1 and 14.2 direct several new areas of activity for Metro as described in this report. These new efforts will necessitate resources in terms of both new professional services contracts and full time employees (FTEs) if implemented in the near future. Within this section, staff is providing an estimate of resource needs to carry out this work. This estimate was developed by reviewing comparable past and on-going work efforts. See Attachment D for details on comparable projects and estimating methodology.

The chart below (Figure 2) summarizes our resource needs to carry out the Board's direction as described above. It should be clearly noted that costs estimated here cover the specific near term activities included in the motions including planning and design, a process to integrate first/last mile in future capital projects, and enhanced technical assistance and granting capacity. Notably, incremental cost increases to future transit capital projects due to the inclusion of first/last mile improvements are not included in this review. Rather, those costs will be detailed and reported to the Board as project plans are completed.

Professional Services and FTE Needs Overview
Figure 2

Activity	Estimated Schedule and Duration	Unit	Estimated Professional Services	Estimated # FTEs and Cost of FTEs
Capital Projects Guidelines Development	Start - Oct Dec. 2016 Duration - 12 months (including procurement)	Countywide	\$138,000	.75
Purple Line Sec 2 and 3 Planning and Design	Start - Oct Dec. 2016, Duration - 30 months (including procurement)	5 Stations	\$1.625 million	.625

Countywide Planning and Design	Start - Oct Dec.2016, Duration - 42 months (including procurement)	254 Station Areas and Stops	\$10 million	3
Grant Assistance	Start - Oct Dec.2016, Duration - 18 months (including procurement)	30 Project Applications	\$700,000	1.5
TOTAL:	4.5 Years		\$12.5 million in Professional Services	5.875 FTEs <i>Estimated Annual Cost of FTEs: \$900,000 to \$1 million</i>
GRAND TOTAL: \$16.5 million in Prof. Services and FTEs over 4.5 years (approx. \$3.66 million per year)				
Matching Grant Program	Pending budget action, and timed to applicable grant cycles, especially ATP	30 Projects	\$20 million biennially (approximately)	0

Not including the matching grant program, the total estimated third party cost to carry out work as described in this report is \$12.5 million, which is detailed in Attachment D. FY17 will mostly involve start-up activities such as procurement and \$125,000 in professional services is anticipated to be incurred. The FY17 budget includes the current fiscal year needs in Cost Center 4340, Sustainability Policy and Programs, under Project Number 450009, Sustainability Demonstration Projects.

For FY17, three new FTEs are needed to support the work program outlined in this report. Upon approval of this work plan by the Board, the three FTEs will be considered among other agency priorities to be drawn from the mid-year "reassignment pool" of available FTEs across the agency. However, should other agency needs determine first assignment of those available FTEs, staff will return to the Board for consideration of a budget amendment to FY17 that would underwrite these positions. The additional three program staff positions identified in this report will be requested from either the "reassignment pool" or through the FY18 budget cycle.

Since this is a multi-year project, the cost center manager and the Chief Planning Officer will be accountable for budgeting the cost in future years, including any option exercised.

As noted above, absent the passage of the potential ballot measure, the funding of a new match program will require that the Metro Board make tradeoffs with existing Metro projects/programs. Approval of this report provides direction to the Chief Executive Officer to identify and budget resources as outlined here.

Impact to Budget

The funding sources are Propositions A, C, and Transportation Development Act Administration, which is not eligible for bus and rail operating or capital expenses.

ALTERNATIVES CONSIDERED

The Board may decide not to approve the work approach and resource needs in this report. Alternatively, the Board could modify elements of Board Motions 14.1 and 14.2 and staff would develop corresponding recommendations on scope and resource requirements.

NEXT STEPS

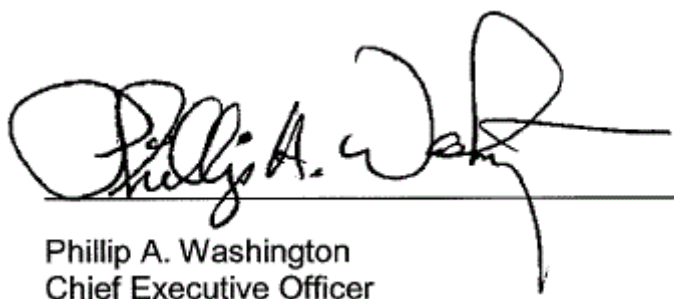
If approved, staff would initiate steps to determine the availability of staff through the RIPA or pursue needed budget actions, and proceed with hiring and consultant contracts within the parameters described above. Staff will report back to committee twice a year on the status of implementing Motions 14.1 and 14.2.

ATTACHMENTS

Attachment A - Countywide Priority First/Last Mile Network
Attachment B - Stations and Stops for First/Last Mile Planning
Attachment C - Capital Projects Implementation Steps
Attachment D - FTE and Professional Services Needs
Attachment E - Motion 14.1
Attachment F - Motion 14.2
Attachment G - June 15, 2016 Board Report: First/Last Mile Purple Line Section 2; 3%
Local Contribution Provision

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Phillip A. Washington
Chief Executive Officer

MASTER COOPERATIVE AGREEMENT
FOR THE
METRO GOLD LINE – GLENDORA TO CLAREMONT (PHASE 2B)

BY AND BETWEEN

THE LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

AND

THE METRO GOLD LINE
FOOTHILL EXTENSION CONSTRUCTION AUTHORITY

Effective Date: [_____, 2017]

Master Cooperative Agreement for the Metro Gold Line
Glendora to Claremont (Phase 2B)

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COOPERATIVE AGREEMENT
FOR THE
METRO GOLD LINE – GLENDORA TO CLAREMONT (PHASE 2B)

BY AND BETWEEN

THE LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

AND

THE METRO GOLD LINE
FOOTHILL EXTENSION CONSTRUCTION AUTHORITY

THIS MASTER COOPERATIVE AGREEMENT FOR THE METRO GOLD LINE – GLENDORA TO CLAREMONT, dated effective as of [____], 2017 (the “MCA” or “Agreement”) is made by and between the Metro Gold Line Foothill Extension Construction Authority, a public entity of the State of California (“Construction Authority”), and the Los Angeles County Metropolitan Transportation Authority, a public entity of the State of California (“LACMTA”). Construction Authority and LACMTA will be at times be collectively referred to herein as “Parties”.

RECITALS

WHEREAS, Construction Authority is a public entity created by the California State Legislature pursuant to Section 132400 *et seq* of the Public Utilities Code (“PUC”) for the purpose of completing the design and construction of the Los Angeles - Pasadena Foothill Extension Gold Line light rail project, extending from Union Station in the City of Los Angeles to Sierra Madre Villa Boulevard in the City of Pasadena and any mass transit guideway that may be planned east of Sierra Madre Villa Boulevard along the rail right-of-way extending to the City of Montclair;

WHEREAS, the Metro Gold Line from Union Station to Pasadena has been in operation since July, 2003 and the Metro Gold Line from Pasadena to Azusa has been in operation since March, 2016;

WHEREAS, Construction Authority is planning to design and build an extension of the Metro Gold Line from Glendora to Claremont (“Project” or “Phase 2B”);

WHEREAS, this Agreement may be amended to include an extension of the Metro Gold Line to the City of Montclair;

WHEREAS, Construction Authority desires that the Project extend into San Bernardino and terminate at the proposed Montclair station (the "Montclair Extension"). However, the Montclair Extension has not been approved by the LACMTA Board, has not been fully funded, and requires agreement by the applicable cities and agencies in San Bernardino County. At this time, Construction Authority is preparing plans that include the Claremont Station as the terminus as well as the Montclair Extension, which is being paid for by the City of Montclair. All issues concerning the funding for Phase 2B are covered in the Funding Agreement, as defined herein. The Parties expressly agree and acknowledge if the Montclair Extension is included as part of the Project, this MCA will be amended accordingly to include the Montclair Extension.

WHEREAS, LACMTA is a public entity created by the California Legislature pursuant to PUC Section 130050.2 *et seq.* for, among other things, the design, construction and operation of rail and bus transit systems and facilities in Los Angeles County;

WHEREAS, PUC Section 132450 *et. seq.* requires that LACMTA, upon completion of the Project by Construction Authority, operate the Project;

WHEREAS, PUC Section 132435 requires Construction Authority to enter into a memorandum of understanding with LACMTA that shall specifically address the ability of LACMTA to review any Significant Changes in the scope of the design or construction or both design and construction of the Project;

WHEREAS, Construction Authority and LACMTA desire to cooperate to the end that the Project design and construction activities are undertaken and completed in ways that meet the objectives and goals of the Parties.

NOW THEREFORE, the Parties agree as follows:

ARTICLE 1 - SCOPE AND DEFINITIONS

1.0 Scope of Agreement

The foregoing recitals are incorporated into this Agreement by this reference. This Agreement specifies the procedures that Construction Authority and LACMTA will follow in implementing their respective roles and responsibilities in the Design, Construction, testing and Turnback of the Project. Both Construction Authority and LACMTA agree that each will cooperate and coordinate with the other in all activities covered by this Agreement.

1.1 Definitions

For the purpose of this Agreement, the following terms shall have the meanings set forth below:

Advanced Conceptual Engineering (ACE) means conceptual engineering to support the Final EIR, in which the Design of the general track configurations and geometry, station and parking facility locations, traction power substation locations, property requirements, existing utility locations, and other associated Construction is defined to approximately 30% of Final Design.

Alignment Design/Build Contract means, in the case of multiple Design/Build Contracts for Phase 2B, the Design/Build Contract for the entire Phase, exclusive of any components that are the subject of other construction contracts. By way of example, for Phase 2B, the Alignment Design/Build Contract would cover all of Phase 2B, except for certain utility work.

Alignment Design/Build Contractor means the Design/Build Contractor awarded the Alignment Design/Build Contract.

Annual Work Plan has the meaning ascribed in Section 3.1.

Approval means written approval by the LACMTA Representative. Approval shall not, unless specifically indicated in writing by the LACMTA Representative, constitute a waiver of any LACMTA standard, code, or other requirement in this Agreement.

Baseline Documents shall mean the Conformed Contract Documents, and any Change Orders to the Conformed Contract Documents.

Betterment means, except as set forth in Section 6.1, a change requested by LACMTA or any third party that will improve the level of service and/or capacity, capability, appearance, efficiency or function over that which is provided by the Baseline Documents.

Certificate of Occupancy means the final project approval granted by the Phase 2B Fire, Life, Safety and Security Committee

Construction Authority - Has the meaning set forth in the Recitals to this Agreement.

Construction Authority Representative means the Chief Executive Officer of Construction Authority, or his/her authorized representative (as designated in a writing executed by the Chief Executive Officer). Construction Authority Representative has the power to conduct meetings and reviews, and approve actions as required by this Agreement.

Conformed Contract Documents means the final executed contract documents for Construction and/or Design, which includes, without limitation, all of the following documents: the adopted Final Environmental Impact Report, as amended or supplemented from time to time, the Advanced Conceptual Engineering, the performance specifications, LACMTA Design Criteria and Standards in effect prior to the date that proposals for the Alignment Design/Build Contract are due, and the Design/Build Contractor's proposal as amended by the Design/Build Contractor's best and final offer.

Construction means the work of removal, demolition, replacement, alteration, realignment, building, and fabrication of all new fixed facilities, and procurement and installation of systems and equipment, that are necessary to operate and maintain the Project in accordance with approved plans and specifications.

Costs means all allowable Direct Costs and Indirect Costs for work performed by LACMTA pursuant to Section 3.2 Performance of LACMTA Work, or work performed by Construction Authority pursuant to Section 6.0 Betterments Generally.

Current Scope of the Project means the Project as described in the Final Environmental Impact Report (EIR). A brief summary of the Project is provided in Exhibit A.

Days means calendar days, including Saturdays, Sundays, and legal holidays. See also definition of Working Days.

Design means that engineering, architectural and other design work and the resulting maps, plans, specifications, special provisions, drawings, calculations, computer software, and estimates which are needed to construct the Project.

Design/Build Contract means the documents that are used by Construction Authority to contract with a contractor to Design, build, fabricate, install, and prepare for operations all or any portion of the Project (less the rail cars and other equipment provided by LACMTA), and to demonstrate the operability of

each Phase through a period of Pre-Revenue Operations. In the case of multiple construction contracts for the same Phase (as is currently contemplated for Phase 2B), only the Alignment Design/Build Contract will include requirements regarding demonstrating the operability of the Phase through a period of Pre-Revenue Operations. See Section 1.2 regarding the contemplated construction contracts.

Design/Build Contractor (DB Contractor) means the Design/Build Contractor(s) and/or team(s) of consultants and contractors that are awarded the Design/Build Contract(s) by Construction Authority.

Design/Build Procurement Documents means the entire package of documents to be sent to potential proposers that may be interested in submitting a proposal or award of a Design/Build Contract, including but not limited to: requests for qualifications; cooperative agreements with the cities, utilities and LACMTA; SBE/DVBE program; bonding requirements; change order & payment provisions; bidding and proposal requirements; environmental mitigation and requirements; scope of work; technical drawings and specifications; Design and Construction document reviews, procedures & approvals; quality control; safety program; and Construction procedures.

Design Review means the process of critical evaluation by Construction Authority and others as specified in this Agreement, and any additional review specified by Construction Authority, of plans and specifications that are developed by consultants and/or the Design/Build Contractor which are necessary for the Construction of the Project.

Detailed Schedule - Has the meaning set forth in Section 7.1.1.

Direct Costs means labor costs and costs of purchasing equipment and/or materials, without markup or overhead of any kind.

Dispute - Has the meaning set forth in Article 5.0.

Effective Date - shall mean the date set forth in the preamble to this Agreement.

Facility means real or personal property now or in the future to be located within the Right-of-Way as part of the Project, including but not limited to roadways, stations, parking, pipes, mains, services, meters, regulators, and structures, and any equipment, apparatus and/or structure appurtenant thereto or associated therewith.

Final Design means the technical engineering work required of the Design/Build Contractor to complete the engineering necessary to sign and seal drawings and specifications.

Final Environmental Impact Report (FEIR) means the Final Environmental Impact Report/Statement that analyzes and evaluates the environmental impacts of the Project and recommends measures to mitigate the potential adverse impacts, and includes any addendum, supplement, or subsequent EIR. Construction Authority certified the FEIR for Phase 2B in March 2013 and adopted a First Addendum in May 2014, a Second Addendum in December 2014, and a Third Addendum in March 2016.

Fire, Life, Safety and Security Committee (FLSSC) means the committee that oversees fire/life safety and security issues for compliance with fire/life safety design criteria, local fire codes and NFPA 130 standards, and oversight of security and policing issues. The Fire/Life Safety and Security Committee is comprised of representatives from the Authority, LACMTA, Fire and Police jurisdictions, and other affected agencies.

Funding Agreement means that certain Foothill Extension Phase 2B Funding Agreement Glendora to Claremont of substantially even date herewith, pursuant to which the Parties have agreed on the distribution by LACMTA to Construction Authority of that portion of the proceeds of the Transaction and Use Tax adopted by LACMTA on or about June 16, 2016 by Ordinance #16-01, which was then approved by the voters of Los Angeles County on November 8, 2016 as “Measure M” that has been allocated to the Project, along with other funds as set forth therein.

Governmental Authority means any government or political subdivision, whether Federal, State, or local, or any agency or instrument of any such government or political subdivision, or any Federal, State, or local court or arbitrator, other than LACMTA and Construction Authority.

Indirect Costs means all costs that are not Direct Costs, including but not limited to Construction Authority’s administration (such as overhead, salaries and benefits), legal, community outreach, insurance, program management, ROW acquisition and management, utilities, environmental, special programs, Construction, procurement, and financing.

Industry Review means the period of review by construction and engineering firms of final draft documents before they are released as part of the Design/Build Procurement Documents.

Laws means any law, rule, regulation, ordinance, statute, code or other requirement of any Governmental Authority.

LACMTA - has the meaning set forth in the Preamble to this Agreement.

LACMTA Design Criteria and Standards - means that set of design criteria and standards that LACMTA has developed and relies upon to create a uniform basis

of design for all LACMTA transit projects. These criteria are intended as express requirements to direct designers and engineers, in the various disciplines, when working on LACMTA transit projects. LACMTA may provide written variance to these criteria to further enhance operational flexibility or for reasons based on good and sound engineering principles and judgments.

LACMTA Project Costs - has the meaning set forth in the Funding Agreement.

LACMTA Representative means its Chief Executive Officer, or his/her designated representative (as designated in a writing executed by the Chief Executive Officer). LACMTA Representative has the power to conduct reviews, assign LACMTA staff, and make Approvals as required by this Agreement.

Mainline means track designated for rail operations.

Party means LACMTA and/or Construction Authority, individually.

Phase II means Phase 2A and Phase 2B.

Phase 2A means the portion of Phase II from the interface with Phase 1 in Pasadena to the end of the tail tracks for the Azusa Citrus station.

Phase 2B means the portion of Phase II from the interface with Phase 2A in Azusa to the end of the tail tracks for the Claremont station.

Pre-Revenue Operations means a period of time described in Section 7.2.1 beginning at a point in time determined by LACMTA following Substantial Completion and Turnover, ending at ROD, allowing LACMTA staff to commission, test, and verify it can operate trains as designed and familiarize its staff with the Project.

Project – means Phase 2B.

Property Trust Agreement means that certain Los Angeles – Pasadena Metro Blue Line Governmental Purpose Property Trust Agreement between Construction Authority and LACMTA dated August 19, 1999.

Revenue Operations Date (ROD) means the date on which LACMTA commences operation of the Project.

Right-of-Way (ROW) means the real property required to construct, operate, and maintain the Facilities and systems that comprise the Project.

Safety and Security Certification means the set of collective programs and processes intended to verify the safety and security readiness of the project to open to the public, as described in Section 7.3.

Significant Change means any change of mode or technology from the Baseline Documents, or any other substantive change that affects the connectivity and operation of the Project as part of the overall transit system operated by LACMTA, or any combination of those things. Design and Construction of the Project that is consistent with the Baseline Documents shall not be deemed to be a Significant Change and shall not require concurrence by LACMTA.

Solution Committee means a committee consisting of three LACMTA Board members, at least one of whom shall be from the San Gabriel Valley subregion, and two Construction Authority Board Members. The members shall be appointed in accordance with the procedures of their respective Boards. The Chief Executive Officers (CEOs) of both Parties are non-voting members of the Solution Committee.

Solution Process means the Dispute resolution process describe in Section 5.1.

Substantial Completion means the work is substantially complete in accordance with the Design/Build Contract.

Systems Integrated Testing (SIT-1) means the testing process prior to Substantial Completion, conducted by the Construction Authority and its Contractor, focusing on proper systems functionality.

Systems Integrated Testing – Phase 2 (SIT-2) means the testing process conducted by Metro that verifies the remote monitoring and control capability of the field equipment and the Metro head-end equipment at the Rail Operations Control facility.

Turnback means the process by which Construction Authority turns over the Project to the LACMTA, as more particularly described in Section 7.5.

Turnover means when the Construction Authority provides initial written documentation of Project readiness with Metro concurrence and turns over the operational control of the Project and the rail line to LACMTA to initiate the pre-revenue operations period in accordance with Section 7.2.1.

Trust means the Trust established pursuant to the Property Trust Agreement.

Working Day means Days, excluding Saturdays, Sundays, and the following thirteen (13) legal holidays: New Years Day, Martin Luther King Jr. Day, President's Day, Cesar Chavez Day, Memorial Day, Fourth of July, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve Day, and Christmas Day.

1.2 General Approach to Construction of Project

Construction Authority contemplates entering into two separate construction contracts for Phase 2B. The first construction contract is for certain utility work. The second construction contract is the Alignment Design/Build Contract. The DB Contractors shall Design and construct the Project per the Baseline Documents.

Construction Authority will design and construct the Project so that the Claremont Station can operate adequately and properly as the terminus and in full compliance with LACMTA's Design Criteria; provided, however, if the Construction Authority and LACMTA's Board includes the Montclair Extension as part of the Project, then Construction Authority will design and construct the Project so that the Montclair Station can operate adequately and properly as the terminus and in full compliance with LACMTA's Design Criteria.

1.3 LACMTA Participation Generally

LACMTA shall participate in the Project, and Construction Authority will provide the opportunity for LACMTA to participate, in the areas set forth below and as more particularly described in this Agreement. The purpose of such LACMTA participation shall be to ensure the Project will be compatible, functionally connected and operative with LACMTA's existing metro rail system. Subject to the procedures set forth in this Agreement, LACMTA's participation in the Project includes:

- inspection rights
- coordination meetings
- receipt of status reports
- Construction Authority reporting at LACMTA construction committee
- receipt of finance reports per the Funding Agreement
- participation in testing
- Design Review and comment
- review and Approval of Significant Changes
- review and Approval of certain third party agreements as set forth in Section 2.6.10
- participation in the Substantial Completion walk through, Safety and Security Certification and final acceptance process for the Project

ARTICLE 2 - DESIGN AND CONSTRUCTION OF THE PROJECT AND REVIEW AND APPROVAL OF SIGNIFICANT CHANGES BY LACMTA

2.0 Engineering and Construction Coordination

The review process described below in Sections 2.1 through 2.6 will constitute the Design Review process for LACMTA and Construction Authority. Notwithstanding the foregoing, LACMTA shall have the right to review and approve any Significant Change in any Design or Construction documents for the Project in accordance with, and subject to the provisions of, Section 2.5.

2.1 Review of Design/Build Procurement Documents

LACMTA to review and comment on the Industry Review drafts of the Design/Build Procurement Documents during Industry Review. LACMTA may review and comment on Significant Changes to the Industry Review drafts that are included in the Design/Build Procurement Documents that are issued, within 10 business days after the Design/Build Procurement Documents are issued, and within 7 Days after any addenda thereto are issued.

2.2 Selection Committees

LACMTA to actively participate as a voting member(s) on selection committees for all Design/Build Contractors for the Project.

2.3 Design Criteria and Standards

To insure that the final Project meets the requirements of the current Project scope and the expectations of Construction Authority and LACMTA, Construction Authority and its consultants and contractors will comply with LACMTA Design Criteria and Standards in effect prior to the date that proposals for the Alignment Design/Build Contract are due, except as waived in writing by LACMTA. LACMTA shall have the sole and exclusive right to grant waivers to LACMTA Design Criteria and Standards and no decision by LACMTA to waive or not waive LACMTA Design Criteria and Standards shall constitute a Betterment or change order that will result in a cost to LACMTA. LACMTA's Design Criteria and Standards in effect prior to the date that proposals for the Design/Build Contract are due will be contained in the mandatory requirements of the Design/Build Procurement Documents.

All artwork and Project aesthetics (visual design elements) at Stations and along the Right-of-Way will remain the decision of Construction Authority, which will include the recommendation of each of the five cities along the Project, but shall not conflict with the LACMTA Design Criteria and Standards or applicable regulatory requirements. Beginning with the Advanced Conceptual Engineering review, LACMTA will be requested to provide comments on maintainability, security, and safety as it pertains to these items.

2.4 Review of the Design/Build Contractor Submittals

- A. LACMTA shall have 21 Days to review and comment on any Project Design submittal at each level, up to and including 100% Design submittals, as Design moves forward, including without limitation, structures, the alignment, stations, systems, art and aesthetics (but only to the extent that any such art and aesthetic Design issues may result in a material adverse financial impact to the permanent maintainability of the Project), communications, signage and parking facilities.
- B. The Construction Authority may deem LACMTA to have no comment on the Project Design submittal to have occurred only after LACMTA's review period has expired with no response and the Construction Authority provides (or has included in the transmittal of the document at issue) a written warning notice that clearly states that unless LACMTA responds within the original 21 Days, LACMTA will be deemed to have no comment.
- C. LACMTA's comments on any document are limited to ensuring consistency with the Baseline Documents, and that the Design complies with the Baseline Documents.
- D. If during the Design Review process LACMTA requests changes to the submittals and such changes result in a change order to the Baseline Documents, Construction Authority will not be obligated to make such change unless LACMTA agrees it shall be responsible for paying the cost of such change and any delay claim associated with the LACMTA requested change.
- E. In addition to LACMTA's right to approve Significant Changes pursuant to Section 2.5, Construction Authority shall not implement any alternative technical concepts or value engineering changes that are not a Significant Change without LACMTA's ability to comment on such change.
- F. The Construction Authority will provide electronic copies to LACMTA of all of the Design/Build Contractor's deliverables, and/or include LACMTA as an assigned user if Construction Authority uses a Project Management collaborative Internet access program for document review.
- G. LACTMA shall have 14 days to review and provide information in response to a formal "Request for Information" (RFI) from the Construction Authority.

2.5 Review and Approval of Significant Changes

Notwithstanding anything to the contrary in this Agreement, Construction Authority shall not make any Significant Change to the Project without the prior written Approval of

LACMTA, subject to the provisions of this Section and Section 5.1. LACMTA shall have the right to review and approve or reject any and all Significant Changes. In the event that LACMTA does not grant Approval of a Significant Change, LACMTA will give Construction Authority written notice of its disapproval, which shall result in a cessation of all Construction activity related to the Significant Change.

2.6 Work to be Performed by LACMTA

LACMTA will work cooperatively with Construction Authority in advancing the Design/Build method of project delivery for the Project. LACMTA will have the following major responsibilities in relation to the Design/Build program, in addition to LACMTA's rights under Section 2.5 to review and approve Significant Changes. These responsibilities are:

2.6.1 Participation in the Organizations and Process

LACMTA will formally designate a member of its senior staff as LACMTA's Representative, and inform the Construction Authority Representative upon making the designation. LACMTA's Representative will be the focal point of coordination and communication with Construction Authority's Representative. In addition, when requested by Construction Authority, LACMTA will designate individuals to participate in the working groups and technical subcommittees formed by Construction Authority to address the issues and subjects which arise as part of the Design Review process described in Sections 2.1 through 2.6 above.

2.6.2 Cooperatively Implement the Design Review Process

LACMTA will provide comments in a timely manner, and will work with Construction Authority to suggest ways to resolve various issues that arise. LACMTA's Representative will work closely with Construction Authority's Representative in the Design Review process as it relates to operations issues, systems compatibility, connectivity, and compliance with LACMTA Design Criteria and Standards as set forth herein.

2.6.3 Provide Technical Support

As requested, LACMTA will provide technical support to Construction Authority throughout the Design and Construction period of the Project. The support may take many forms. For example, LACMTA will work with Construction Authority to review and, where required by the Property Trust Agreement or the California Public Utilities Commission, approve applications prior to submission of applications to the California Public Utilities Commission. LACMTA will assist Construction Authority with obtaining permits where LACMTA is the only Party with standing to obtain such licenses or permits.

In addition, Construction Authority and LACMTA may mutually agree that LACMTA will perform the Design and/or Construction of one or more specific portions of the Project. Under such circumstances, Construction Authority shall develop the specific Scope of Work and authorize LACMTA to perform the activities according to the specified cost and schedule, as mutually agreed. LACMTA's schedule for completion, coordination requirements, review procedures, and related provisions all shall be included as attachments to the work authorization, which shall also include the estimated cost of completing the Design and/or Construction of the specific portion of the Project. LACMTA is under no obligation to proceed with any Work until LACMTA has received a Construction Authority approved Work Authorization.

2.6.4 Assist with Construction Inspection and Supervision

Upon request of the Construction Authority Representative, LACMTA will provide as-needed assistance to Construction Authority for the supervision and/or inspection of Construction by the Design/Build Contractor. Specifically, LACMTA will provide supervision of work performed on the Phase 2A system, including upgrades to LACMTA's Rail Operations Control. The Construction Authority and its Design/Build Contractor shall not perform any work on any portion of the existing operating Gold Line Right-of-Way without LACMTA's prior written Approval which will require authorized track allocation (if applicable) and LACMTA supplied supervision and/or inspection services, which shall be reimbursed as LACMTA Project Costs to extent permitted by the Funding Agreement.

In addition, LACMTA will conduct an inspection of the entire Project prior to commencing SIT-1 and/or SIT-2 and/or Pre-Revenue Operations. LACMTA will conduct a final inspection immediately prior to Revenue Operations. LACMTA will generate a punch list of all outstanding items in accordance with Section 7.4.

2.6.5 Support of Systems Integrated Testing and Start-Up

LACMTA will provide rail vehicles, operators, dispatchers, and other personnel and equipment necessary to support integrated testing and start-up of the Project as described in Article 7, and as mutually agreed upon by LACMTA and Construction Authority.

Construction Authority will provide Employees-in-charge (EIC), watchpersons and flaggers as set forth in all regulatory and / or LACMTA requirements to support SIT-1 and start-up of the Project as described in Article 7, and as mutually agreed upon by LACMTA and the Construction Authority.

During SIT-1 tests that involve the movement of light rail vehicles and at the commencement of Pre-Revenue Operations, LACMTA shall assume the duties of controlling train movements on, and access to, the Right-of-Way.

2.6.6 Meetings

- a. Construction Authority Project management team or their designees shall hold monthly meetings with LACMTA representatives.
- b. Construction Authority CEO or designee will report quarterly at LACMTA's monthly Construction Committee meeting.

2.6.7 Reports

The Parties acknowledge that the Funding Agreement sets forth Construction Authority's obligations regarding progress reports.

2.6.8 LACMTA inspection rights

LACMTA shall have rights to inspect the Project at any time, in accordance with this Section 2.6.8. LACMTA shall address all concerns and issues directly with the Construction Authority field staff and not with the Design/Build Contractor.

- a. LACMTA may participate in the Construction Authority's inspection program for all Project elements with proper coordination with the appropriate Construction Authority field staff.
- b. LACMTA may, at its election, reasonably participate in pre-Construction activities, including review of Construction Work Plans.
- c. Construction Authority shall notify LACMTA of all systems factory testing, local field tests, and integration tests. Construction Authority does not need to notify LACMTA of daily, ongoing material testing.

2.6.9 Integrated Project Office

- a. If requested by LACMTA, Construction Authority will provide LACMTA with one office with two desks, two lockable filing cabinets, a phone and a computer in Construction Authority's main office, and in the field office.
- b. Construction Authority has the right to remove any LACMTA person or persons assigned to work at the Integrated Project Office. Such right shall not be exercised unreasonably.

2.6.10 Third Party Agreements

LACMTA to review and approve any agreements with Caltrans, CPUC, SCRRA, BNSF, utility companies, or any other third parties, to the extent such Approval is required by Section 4.2.4 of the Property Trust Agreement. Additionally, unless

Construction Authority obtains LACMTA's prior written consent, Construction Authority shall not enter into any real estate agreement(s) that survive termination of the Property Trust Agreement which directly imposes any obligation or limitation upon LACMTA, as successor to Construction Authority, which has a material effect on LACMTA's operation of the Project. Nothing in this Section is intended to amend or modify PUC Section 132445.

2.7 Construction Safety and Security Documents / Quality Control Documents

All Project Design and Construction documents that relate to the security of the operation of the Project as a part of the system shall be treated as security sensitive documents to protect LACMTA's and Construction Authority's interests. Construction Authority, the Design/Build Contractors, and any subcontractor, consultant, and subconsultants with access to such documents shall sign confidentiality/non-disclosure agreements. LACMTA shall provide Construction Authority with the written policy for incorporation into the Design/Build Contract.

2.8 Outreach/Communications

In order to ensure consistency of information, Construction Authority will provide Project and Construction related outreach and communication while LACMTA will provide outreach and communication regarding operational aspects, including ridership projections, opening/service start updates, bus/rail interface, safety, system maps, how to ride, Measure R/regional/system-wide information, Measure M/regional/system-wide information, related press releases, etc. The Parties will comply with the additional provisions set forth in the Funding Agreement..

LACMTA shall provide Construction Authority with its written Metro System Signage Standards and Design Criteria for incorporation into the Design/Build Contract prior to the release of the Request for Proposals in connection therewith. Signage will conform to such Metro System Signage Standards and Metro Rail Design Criteria.

2.9 Project Management Plan ("PMP")

Construction Authority shall provide LACMTA with copies of the PMP and any amendments thereto.

2.10 Buy America Provisions

The Project shall incorporate Buy American provisions, to the extent legally permissible.

ARTICLE 3 - LACMTA WORK AUTHORIZATION AND BILLINGS

3.0 Work Performed by LACMTA

Work to be performed by LACMTA under this Agreement will coincide, as closely as possible, with Construction Authority's Project schedule. LACMTA agrees to commit sufficient resources necessary to provide the level of service required to meet those schedules.

3.1 Annual Work Plan for LACMTA Staffing

LACMTA shall develop an annual work plan ("**Annual Work Plan**") for LACMTA's performance of its obligations pursuant to this Agreement. LACMTA shall develop, and LACMTA and Construction Authority shall determine mutually, LACMTA staffing level needs during LACMTA's annual budget cycle to ensure that there is a sufficient level of LACMTA assistance to meet the Construction Authority's Project needs for the upcoming fiscal year, while also ensuring that LACMTA staff are assigned to a particular task or tasks in a cost-effective manner. Staff need estimates will be tied to LACMTA's budget process. LACMTA shall deliver the proposed Annual Work Plan to Construction Authority on or before January 27 of each year. Construction Authority shall review and provide comments on the Annual Work Plan within thirty (30) Days after receipt of the draft Annual Work Plan from LACMTA. If Construction Authority believes its comments are not adequately addressed, the resulting Dispute shall be resolved in accordance with the Dispute resolution process in Section 5.2. However, in the event of a Dispute regarding the Annual Work Plan that is not resolved prior to LACMTA Board adoption of the LACMTA budget for the next fiscal year, LACMTA shall continue to perform work during the new fiscal year at a staffing and support level that does not exceed the amounts set forth in the Annual Work Plan for the prior fiscal year.

If LACMTA determines that it requires consultants and/or contractors to perform any of its obligations pursuant to this Agreement, it shall include engagement of such consultants and/or contractors, and the tasks they are anticipated to perform, in its proposed Annual Work Plan. If the Construction Authority requests LACMTA to provide additional services to the Project beyond what is contemplated in the Annual Work Plan and the LACMTA Project Costs, if necessary, Parties may mutually agree to amend the Annual Work Plan to incorporate the additional cost of the additional services.

Funding for the Annual Work Plan will be included as part of LACMTA Project Costs, in accordance with and as that term is defined in the Funding Agreement.

LACMTA shall provide Construction Authority its Labor Information Management System ("LIMS") report on a monthly basis.

3.2 Performance of LACMTA Work

LACMTA staff and its consultants and contractors may perform any work included in the approved Annual Work Plan. Consultants and contractors engaged by LACMTA to perform work covered by this Agreement shall comply with all applicable labor and other Laws, grants, and agreements. Consultant fees and profits shall be charged in accordance with LACMTA practice or existing contract limits.

ARTICLE 4 - INTENTIONALLY OMITTED

ARTICLE 5 - PARTNERING / DISPUTE RESOLUTION

5.0 Partnering / Disputes

The Parties shall engage in a partnering process as described in Section 5.3.

All Disputes that concern the Approval/disapproval of a Significant Change shall be resolved in accordance with the Solution Process set forth in Section 5.1. All Disputes between the Parties that do not concern the Approval/disapproval of a Significant Change shall be resolved by the process described in Section 5.2.

5.1 Solution Process

The following process, referred to in this Agreement as the Solution Process, shall be used for the review and Approval/disapproval of Significant Changes, and to resolve Disputes between the Parties regarding a Significant Change:

- a. Within 5 Working Days after Construction Authority determines there has been or will be a Significant Change, Construction Authority shall inform LACMTA by written notice and request Approval therefor. Within 5 Days after LACMTA has received such notice and request, LACMTA shall convey in writing to the Construction Authority its Approval/disapproval of the Significant Change, or indicate that LACMTA does not consider the change to be a Significant Change.
- b. At any time, subject to the limitations set forth in this Section 2.5, LACMTA may determine independently that there has been or will be a Significant Change. Within the 21-day review period for Design submittals pursuant to Section 2.4.A, or for changes not included in a Design submittal under review pursuant to Section 2.4.A, within 5 Working Days after discovering what LACMTA believes to be a Significant Change, LACMTA shall convey its determination in writing to Construction Authority, together with its Approval/disapproval of the Significant Change. Any change from the Baseline Documents that would otherwise be a Significant Change shall be deemed not to be a Significant Change for all purposes under this Agreement if the LACMTA Representative fails to identify the change as a Significant Change within the applicable time period specified in this paragraph "b".
- c. In the case of disagreement between LACMTA and Construction Authority as to whether a given change is a Significant Change, or in the case of an LACMTA disapproval of a Significant Change, Construction Authority may convey in writing to LACMTA within 3 Working Days of the receipt of LACMTA's written disapproval or of written notice that LACMTA has independently determined that a given change is a Significant Change, that it wishes to conduct resolution meetings. The date of Construction Authority's Notice shall be the "Construction Authority Notice Date." In that event, the parties shall conduct resolution

meetings, which will start no later than 3 Working Days from the Construction Authority Notice Date and continue until the first to occur of (i) Construction Authority is reasonably satisfied with the resolution, or (ii) 10 Days after Construction Authority receives LACMTA's written disapproval or written notice that LACMTA determines a given change to be a Significant Change.

d. If the Parties fail to reach a mutual solution, the matter shall be raised automatically to the CEO of each agency for resolution. If the Parties fail to reach a mutual solution within five Working Days after the matter is raised to the CEOs, Construction Authority shall be deemed to have accepted LACMTA's disapproval or determination that a given change is a Significant Change unless either CEO refers the matter to the Solution Committee within 3 Working Days thereafter.

e. The Solution Committee shall render a decision within 10 Days after a matter is forwarded to it for consideration.

f. If the Solution Committee finds that any portion of the work is a Significant Change and LACMTA's disapproval is upheld, then the Construction Authority shall be solely responsible for all costs necessary to remove, replace or correct any disapproved work that has been performed.

5.2 Resolution of Disputes not Covered by the Solution Process

Consistent with the partnering process set forth in Section 5.3, all Disputes, controversies, or claims arising between the Parties in connection with or relating to this Agreement that do not concern the Approval/disapproval of Significant Change, or are otherwise not subject to the Solution Process described in Section 5.1, shall be resolved amongst Construction Authority and LACMTA staff, if possible, and by the CEOs of both Parties if the staffs are unable to resolve the Dispute.

5.3 Partnering Process

This Section 5.3 sets forth a framework for voluntary partnering between the Parties in connection with the Project. The Parties are committed to a partnering process between them. The partnering process is intended to draw on the strengths of each organization to help identify and achieve reciprocal goals, including achieving completion of the Project on time, within budget and in accordance with its intended purpose. A primary consideration of partnering is the prompt and equitable resolution of issues affecting the conduct of the work on the Project and the rights and responsibilities of the respective parties. It is the intent of the Parties to engage in informal efforts to resolve all disputes related to the Project.

Any costs associated with this partnering will be agreed to by both Parties and will be shared equally, except that each Party will be responsible for the salaries, travel and other costs of its own attendees.

Within 30 days following issuance of a notice to proceed under the Design/Build Contract, the Parties will meet together to create a charter of shared values and goals and agree on an initial schedule for quarterly partnering meetings and/or, if the Parties desire to conduct workshops, on a schedule for one or more partnering workshops. The establishment of a partnering charter will not change the legal relationship of the Parties nor relieve either party from any of the terms of written agreements between them.

ARTICLE 6 - PAYMENTS FOR BETTERMENTS

6.0 Betterments Generally

6.0.1 If during the Design Review process LACMTA requests changes to the submittals and such changes result in a Betterment, Construction Authority will not be obligated to make such change unless LACMTA agrees it shall be responsible for paying with non-Project funds the cost of such change and any delay claim attributable to the LACMTA Betterment.

6.0.2 If at any time during the term of the Project, Non-LACMTA third-parties request the inclusion of Betterments into the Project, the Construction Authority shall forward such request to LACMTA, which shall have the right to review and comment on the proposed Betterments to ensure it conforms to the LACMTA's Design Criteria and Standards and will not interfere with the safe operation of the completed Project. The Construction Authority shall be responsible for negotiating the cost and method of payment for any approved third-party Betterments.

6.1 Non-Betterment Items

However, the following shall not be considered as Betterments:

- An upgrade which the Parties agree should be completed at no cost to LACMTA;
- Construction in accordance with LACMTA Design Criteria and Standards in effect prior to the date that proposals for the Design/Build Contract are due, State and Federal Regulations or CPUC requirements; or
- Measures to mitigate environmental impacts identified in the Current Scope of the Project and Final Environmental Impact Report and any supplements thereto.

6.2 Payments for Betterments

Construction Authority shall be paid by LACMTA for work performed under this Agreement for any Betterments requested by LACMTA as set forth in the Funding Agreement. The amount of the payments for Betterments, if any, shall be estimated by Construction Authority based on LACMTA's request(s).

After LACMTA has reviewed the estimated cost of a LACMTA requested Betterment, LACMTA's Representative shall inform Construction Authority's Representative of any of the proposed LACMTA Betterments LACMTA wants included in the Project. LACMTA shall provide non-Project funds to pay for Betterments under the circumstances set forth in the Funding Agreement. Construction Authority agrees to incorporate any Betterments requested and paid for by LACMTA, including payment by LACMTA of the costs of any delay. Should LACMTA request inclusion of a Betterment during the time period between 85% drawings and Final Design, Construction Authority shall cause the Design/Build Contractor to provide Construction Authority and LACMTA

with an analysis of all anticipated impacts to the Project Schedule associated with such a change.

LACMTA shall pay one half of the cost of each Betterment to Construction Authority in advance, prior to commencement of Construction of the Betterment. The remainder shall be paid to Construction Authority within thirty (30) Days after completion of the Betterment.

Construction Authority shall earn no profit or overhead fee, based on the cost of the Betterments requested by LACMTA. LACMTA shall fully compensate Construction Authority for the Direct Costs and Indirect Costs of the Betterments. However, given the administrative effort required to track, compile, and audit the Costs for Construction Authority personnel and the Construction Authority's consultants, the LACMTA and Construction Authority have the option to agree, in advance, on a flat compensation of 10% of the Cost of all Betterments, in lieu of payment of the actual administrative costs incurred in completing the Betterment(s).

ARTICLE 7 - TESTING AND START-UP

7.0 General

For purposes of this Article 7, the terms Design/Build Contractor and Design/Build Contract shall refer to the Alignment Design/Build Contractor and the Alignment Design/Build Contract, respectively, if there is more than one Design/Build Contractor and Design/Build Contract for the Project.

7.1 Contractual Testing

The roles and responsibilities for testing are as follows:

7.1.1 Design/Build Contractor

Construction Authority shall require in the Design/Build Contract that the Design/Build Contractor be responsible for successfully completing four types of Tests as follows:

- Factory Tests
- Construction Tests
- Systems Integration Tests (SIT-1 and SIT-2)
- System Performance Tests

Design/Build Contractor's tests will be based on LACMTA test standards and procedures (to the extent they are reasonable as determined by standard industry practice), to be provided by LACMTA for incorporation into the Design/Build Contract, and requires coordination with LACMTA.

Construction Authority will require the Design/Build Contractor to provide a proposed, detailed schedule for the SIT-1 testing ("**Detailed Schedule**") no later than 24 months before Substantial Completion. The Detailed Schedule will also include projected LACMTA light rail vehicle requirements, as necessary.

The Design/Build Contractor will be responsible for providing training to LACMTA staff in the areas of system familiarization and configuration, equipment operation and equipment maintenance and be available for meetings during testing and Start Up as required and deemed necessary by LACMTA. A proposed schedule for training, along with content, will be provided to the Construction Authority and LACMTA no later than 15 months prior to Substantial Completion .

The Design/Build Contractor establishes and maintains all track allocation and safety requirements and regulations in accordance with LACMTA standards and applicable CPUC regulations beginning with initial activation of the traction power system and vehicle movement, continuing until Turnover. The Design/Build Contractor shall provide support personnel as needed for SIT-2.

7.1.2 Construction Authority

Construction Authority is responsible for overseeing the Design/Build Contractor throughout Design, Construction and testing, and for ensuring adherence to LACMTA test standards. Construction Authority shall monitor testing performed by the Design/Build Contractor, and shall make available to LACMTA all testing schedules, procedures, and results.

7.1.3 LACMTA

LACMTA shall be provided the opportunity to monitor any testing of components and systems related to train operations and maintenance of trains and property.

LACMTA shall make available up to six (6) light rail vehicles in the consists/configurations required by the Design/Build Contractor for Project testing purposes. A written request to the LACMTA Rail Start-up Manager shall be made by the Construction Authority at least four (4) weeks in advance of the initial vehicle commitment date. In addition, the Construction Authority shall make detailed vehicle requests at least one (1) week in advance of the intended test date. LACMTA will be responsible for testing of all LACMTA Furnished/Required Equipment and systems within the Rail Operations Control. LACMTA will also be responsible for emergency drills and Pre-Revenue Operations.

Control of the track allocation and safety requirements/regulations are transitioned from the Design/Build Contractor to LACMTA at Turnover.

7.2 Turnover

7.2.1 Turnover will be the date after all of the following has occurred:

- a. LACMTA identified critical signage has been accepted/signed-off by LACMTA;
- b. Construction Authority has submitted the draft Safety and Security Certification Report;
- c. LACMTA has determined that no items affecting train movement remain on the punch list;
- d. Completion of SIT-1;
- e. LACMTA has accepted/signed-off on all test reports;
- f. Construction Authority has completed all vendor systems training;
- g. Construction Authority has delivered the special tools necessary for Pre-Revenue Operations;
- h. Construction Authority has delivered the spare parts necessary for Pre-Revenue Operations;
- i. Construction Authority has delivered the O&M manuals (other than parking facilities);
- j. CPUC has provided preliminary approval of all crossings; and
- k. Construction Authority has placed current books of plans for traction electrification, signals and communications in the appropriate bungalows, cases and rooms.

7.3 Schedule of Submittals for LACMTA Approval

7.3.1 At least forty (40) days prior to ROD, in addition to all the Turnover items set forth in Section 7.2.1, Construction Authority shall submit to LACMTA the following items which will require acceptance/sign-off by LACMTA:

- a. Elevator state certification
- b. Certificate of Occupancy (CofO)
- c. Safety and Security Certification final report
- d. Parking facilities training
- e. Delivery of parking facilities O&M manuals

7.3.2 No later than ten (10) days prior to ROD, in addition to all the Turnover items set forth in Section 7.2.1 and all the items required in Section 7.3.1 above, Construction Authority shall submit to LACMTA the following items which will require acceptance/sign-off by LACMTA:

- a. CPUC approval of Safety and Security Certification final report
- b. Delivery of all spare parts
- c. ADA compliance

7.4 Pre-Revenue Operations

7.4.1 Pre-Revenue Operations Period

LACMTA is responsible for Pre-Revenue Operations which shall begin at Turnover. The stress testing and Pre-Revenue Operations period provides LACMTA the opportunity to test operating systems for revenue services, operate trains and familiarize its operating staff with the Project for a period of three months, or as it mutually determined by the Parties.

7.4.2 Design/Build Contractor

During Pre-Revenue Operations, the Design/Build Contractor's activities include completing punch list items and performance of system and landscape maintenance. The Design/Build Contractor must comply with all applicable regulations and LACMTA's rail safety rules for access to ROW, as applicable. LACMTA must provide such rail safety rules for incorporation into the Design/Build Contract.

7.4.3 Construction Authority

Eight weeks prior to the expected date of Substantial Completion and prior to Turnover and commencement of Pre-Revenue Operations, Construction Authority will issue a letter to LACMTA requesting a "Pre-Revenue Readiness Meeting" to determine Project readiness for Turnover and to enter Pre-Revenue Operations. These meetings shall occur a minimum of six weeks prior to the scheduled pre-revenue date and occur as frequently as deemed necessary by all parties. The Design/Build Contractor shall actively participate in this meeting and implement any identified tasks required for Turnover and Pre-Revenue Operations.

7.4.4 LACMTA

After Turnover and during the Pre-Revenue Operations period, LACMTA shall be responsible for all train operations and activity on and immediately adjacent to the Mainline. The Design/Build Contractor, Construction Authority, or third party access to the Mainline must comply with LACMTA's track access and Wayside Worker Protection requirements including training, procedures, and operating rules. LACMTA shall provide the Design/Build Contractor reasonable access to the Mainline to perform maintenance. Should the Design/Build Contractor require access to the Mainline to complete punchlist items or perform other work, LACMTA shall provide reasonable access during periods that minimize disruption to pre-revenue train movements, such as weekends and overnight periods.

7.4.5 Revenue Readiness Meetings

Construction Authority, the Alignment Contractor, and LACMTA shall hold weekly revenue readiness meetings after Turnover and during the Pre-Revenue Operations period.

7.4.6 Fire, Life, Safety and Security Committee (FLSSC)

LACMTA shall participate in the activities of the FLSSC. Construction Authority is responsible to complete construction and testing activities to support emergency drills to be commenced by LACMTA before Turnover and the start of Pre-revenue Operations. The objective of the Parties is that the emergency drills be completed before Turnover and the start of Pre-Revenue Operations if possible, but if that is not possible, the drills may continue after Turnover into the Pre-Revenue Operations Period.

7.5 Safety and Security Certification

7.5.1 General

The Safety and Security Certification shall be completed in accordance with this Section 7.3 and the requirements of the CPUC.

7.5.2 Design/Build Contractor

The Design/Build Contractor, with LACMTA's cooperation, shall be responsible for implementation of the CPUC approved safety and security certification plan (SSCP) during the Design and Construction of the Project. As defined in the SSCP, the Design/Build Contractor shall implement a comprehensive safety certification program.

At the end of the SSCP process and as a condition to Substantial Completion, a Safety Certification report (SCR) shall be prepared by the Design/Build Contractor and submitted to the Construction Authority for review and approval. The SCR shall describe the process, responsibilities, documentation, and procedures used for certification and provide the supporting documentation.

7.5.3 Construction Authority

Once the Design/Build Contractor has successfully implemented the SSCP and completed the Safety Certification of the Project, Construction Authority shall transmit a letter to LACMTA stating that, based upon CPUC's Safety Certification of the Project, Construction Authority has determined that the Facility and system elements of the Project are safe. This letter shall be transmitted at least 21 days prior to Revenue Operations Date.

7.5.4 LACMTA

LACMTA shall participate in the oversight of the safety and security certification process. LACMTA shall have the right to review certification activities including testing, inspections, document reviews, individual certification, etc. leading to safety certification of the Project.

7.6 LACMTA Addition of Punch List Items

For the Alignment Design/Build Contract, LACMTA may add punch list items in accordance with the terms of the Contract up until Substantial Completion, at which point no punch list items can be added. This is contingent upon Contractor having no Design or Construction work remaining, other than punch list work.

7.7 Turnback of the Project

7.7.1 Turnback Process

Turnback is the process through which the Construction Authority and its Design/Build Contractor complete various activities and turn over the Project to LACMTA. The Construction Authority shall complete the following activities in order to complete its obligations for Turnback:

- a. Construction Authority has reviewed the actions of the Design/Build Contractor(s) to determine that the construction is complete in accordance with its own Project requirements.
- b. Construction Authority has participated in the CPUC certification and approval process.
- c. Construction Authority has verified to the LACMTA that all non-permitted liens have been cleared as required under the Property Trust Agreement.
- d. Construction Authority has determined that the Project Is ready for Turnback and will certify that to LACMTA.

Upon the completion of items “a”, “b”, “c”, and “d” above, Construction Authority shall issue to LACMTA its Certification of Turnback, in the form attached hereto as Exhibit C. Upon issuance of the Certification of Turnback, LACMTA will initiate its review of the status of the “System Performance Demonstration” (SPD) and Certificates of Occupancy and upon a determination that all of these matters (“a”, “b”, “c”, and “d”, the SPD, and the Certificates of Occupancy) have been successfully completed, shall issue its acknowledgement of Turnback in the form

attached hereto as Exhibit E. Following receipt of such acknowledgement from the LACMTA, which will not be unreasonably withheld, Construction Authority shall have no further responsibilities or liability for Phase 2B, except as set forth in the Property Trust Agreement or at law. The Parties agree that, regardless of LACMTA acknowledgement of Turnback per this Agreement, "Completion of Phase II of the Project" (as applicable to Phase 2B to Claremont), as that term is defined in the Property Trust Agreement, does not occur until the applicable requirements of the Property Trust Agreement have been satisfied and does not apply to the portion of ROW east of the Claremont station that may be needed for a future extension to the City of Montclair.

7.7.2 Design/Build Contractor System Performance Demonstration

Following the ROD, the Design/Build Contractor shall be responsible for successfully completing the "System Performance Demonstration" (SPD), which shall be developed in conjunction with LACMTA's Rail Operations staff. The SPD must verify that the Project supports 30 consecutive Days of dispatch reliability and dependability during revenue service as defined below. Per the Design/Build Contract, SPD shall commence seven Days after the ROD.

Dispatch Reliability is defined for the Project as the probability that a train will run within 3 minutes of arrival schedule at terminal stations. 99.95% on time performance is required under these criteria.

Dependability is defined for the Project as the probability that a train will run within 20 minutes of arrival schedule at terminal stations. 99.99% on time performance is required under these criteria.

Delays incurred from incidents not related to the Project Systems performance, such as some law enforcement activities or a vehicle mechanical issue, will not count against System Performance percentage requirements.

7.7.3 Construction Authority Transfer of Project Assets

Per the process described in the Property Trust Agreement, Construction Authority shall transfer those Phase II Project Assets directly relating to Phase 2B and not needed for further Construction Authority activities within 150 Days after ROD for Phase 2B.

Per the process described in the Property Trust Agreement, LACMTA shall accept the transfer of Phase II Project Assets directly relating to Phase 2B and not needed for further Construction Authority activities within 180 Days after ROD for Phase 2B.

7.7.4 LACMTA Support of Design/Build Contractor SPD Program

LACMTA shall assist in the oversight of the SPD (as described above) that occurs during revenue operations and under the direction of LACMTA's Operations staff, as well as providing input regarding the other conditions to final acceptance under the Design/Build Contract. As a result, LACMTA will compile the daily operational statistics to verify the Design/Build Contractor's "on time performance" for SPD and will coordinate its review of the SPD with the Construction Authority who will have the right to review and monitor the daily computations to verify their accurateness. On time performance will be measured as defined above for SPD. Additionally, only late or annulled trains attributable to the Design/Build Contractor's facility and system elements shall be used in the calculation for on time performance.

LACMTA shall provide, subject to the terms of the Annual Work Plan, its fullest support to the Design/Build Contractor allowing and assisting the Design/Build Contractor to conduct the SPD and any other activities leading to final acceptance under the Design/Build Contract.

ARTICLE 8 - WARRANTIES, INDEMNIFICATION, AND INSURANCE

8.0 Generally

8.1 Warranties

8.1.1 Warranties to Benefit LACMTA

All warranties, whether derived from the Design/Build Contracts or from major equipment purchased by Construction Authority outside of the Design/Build Contracts (if any), whether express or implied in those contracts, shall run to the benefit of LACMTA.

8.1.2 Warranty Period

The warranty period commences at ROD and continues for one (1) year after ROD, provided, however, for major equipment, if the factory warranty (which should conform to industry standards) is longer than the warranty term set forth above, the factory warranty shall be provided and will control for such major equipment. The factory warranties shall be a proposal and contract requirement clearly identifying the equipment warranties that shall extend beyond the period stated above. The Construction Authority shall solicit a proposal for an additional year of warranty. Landscaping shall have an establishment period of the later of one year after Substantial Completion or when planted. The Authority shall cause any plants that do not survive the establishment period to be replaced.

8.1.3 Warranty Process

At the end of each year the warranty is in effect, the Parties shall walk through and create punch list of warranty items. LACMTA shall manage the warranty process. The Construction Authority and Design/Build Contractor shall reasonably cooperate with LACMTA in the warranty resolution process.

8.2 Insurance

8.2.1 Insurance Requirements

The Design/Build Contracts shall comply with Section 4.2.3(e) and Schedule "F" of the Property Trust Agreement regarding insurance, except that LACMTA hereby approves implementation of a Contractor Controlled Insurance Program ("CCIP") for Phase 2B. The insurance language for the CCIP shall be reviewed by LACMTA's Risk Management Department. Any suggested changes shall be submitted to the Construction Authority.

8.2.2 Insurance Documents

Construction Authority shall deliver, or cause to be delivered, to LACMTA copies of all insurance certificates and bond documents from Construction Authority, Contractors and Consultants, naming LACMTA as an additional named insured.

8.2.3 Trustee Insurance

Construction Authority shall provide LACMTA with copies of all updated Trustee insurance documents and policies required by Section 5.1.11 and Schedule G in the Property Trust Agreement.

8.3 Indemnification

8.3.1 Design/Build Contracts

The Design/Build Contracts shall comply with Section 4.2.3(a) of the Property Trust Agreement.

8.3.2 Construction Authority Indemnification of LACMTA

To the fullest extent permitted by law, Construction Authority shall indemnify, defend and hold LACMTA, and its officers, agents and employees harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of property, any environmental obligation, any legal fees and any claims for damages of any nature whatsoever, arising out of Construction Authority's actions pursuant to this Agreement and attributable to the fault of Construction Authority, except to the extent caused by the sole active (but not passive) negligence or willful misconduct of LACMTA. Following a determination of the percentage of fault and or liability by agreement between the Parties or a court of competent jurisdiction, Construction Authority will indemnify LACMTA for the percentage of liability determined.

8.3.3 LACMTA Indemnification of Construction Authority

To the fullest extent permitted by law, LACMTA shall indemnify, defend and hold Construction Authority and its officers, agents and employees harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of property, any environmental obligation, any legal fees and any claims for damages of any nature whatsoever, arising out of LACMTA's actions pursuant to this Agreement and attributable to the fault of LACMTA, except to the extent caused by the sole active (but not passive) negligence or willful misconduct of Construction Authority. Following a determination of the percentage of fault and or liability by agreement between the Parties or a court of competent jurisdiction, LACMTA will indemnify Construction Authority for the percentage of liability determined.

ARTICLE 9 - LACMTA Furnished/Required Equipment

9.0 LACMTA Furnished/Required Equipment

9.1 Equipment

To ensure uniformity of major equipment and to ensure compatibility with the existing rail system, LACMTA requires Construction Authority to use LACMTA Furnished/Required Equipment, which includes without limitation:

The purchase of 21 vehicles for use on Phase 2B including a portion of LACMTA oversight and consultant costs, spare parts, tools & special equipment, and carbuilder non-recurring costs.

Ticket Vending Machines/Stand Alone Validators/Fare Gates

Mobile & Portable radios

Other equipment as determined during the course of Design and Construction as mutually agreed to by the Parties.

9.2 NOT USED

9.3 NOT USED

9.4 Procurement Staffing

LACMTA staff time directed to procure LACMTA Furnished/Required Equipment shall be included as part of the Annual Work Plan.

ARTICLE 10 - MISCELLANEOUS PROVISIONS

10.0 Counterparts

This Agreement may be executed in several counterparts, and all counterparts so executed shall constitute one Agreement, binding all of the Parties hereto, notwithstanding that all of the Parties are not signatory to the original or the same counterpart. Facsimiles of executed signature pages shall be deemed valid and original.

10.1 Survival Rights

Neither Party shall have the right to assign any of its rights, interests or obligations under this Agreement, without the consent of the other Party. This Agreement shall be binding upon, and, as to permitted successors or permitted assigns, inure to the benefit of, LACMTA and Construction Authority and their respective successors in all cases whether by merger, operations of law or otherwise.

10.2 Severability

In the event any Section, or any sentence, clause or phrase within any Section, is declared by a court of competent jurisdiction to be void or unenforceable, such sentence, clause, phrase or Section shall be deemed severed from the remainder of this Agreement and the balance of this Agreement shall remain in full force and effort.

10.3 Force Majeure

Neither Party hereto shall be considered in default in the performance of its obligations hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, acts of a public enemy, lawsuit seeking to restrain, enjoin, challenge or delay Construction of the Project and government acts beyond the reasonable control and without fault or negligence of the affected Party. Each Party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this Agreement. Notwithstanding anything to the contrary in this Agreement, an extension of time for any such cause shall be for the period of time reasonable in light of the enforced delay.

10.4 Notification or Notices

Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if personally delivered, transmitted by facsimile (with mechanical confirmation of transmission), or deposited in the United States mail, registered or certified, postage prepaid, addressed to the Parties' addresses set forth below. Notices given in the manner provided in this Section 10.4 shall be deemed effective on the third Day following deposit in the mail or on the day of transmission or

delivery if given by facsimile or by hand. Notices must be addressed to the Parties hereto at the following addresses, unless the same shall have been changed by notice in accordance herewith:

If to LACMTA:

Los Angeles County Metropolitan Transportation Construction Authority
One Gateway Plaza
Los Angeles, California 90012
Attn: Phillip A. Washington, Chief Executive Officer
Fax: (213) 922-7447

With a Copy to:

Los Angeles County Metropolitan Transportation Construction Authority
Office of the County Counsel
One Gateway Plaza, 24th Floor
Los Angeles, California 90012
Attn: Teddy Low, Deputy County Counsel
Fax: (213) 922-2531

If to Construction Authority:

Metro Gold Line Foothill Extension Construction Authority
406 E. Huntington Drive, Suite 202
Monrovia, California 91016
Attn: Mr. Habib F. Balian, Chief Executive Officer
Fax: (626) 471-9049

With a Copy to:

Nossaman LLP
777 S. Figueroa St.
Los Angeles, CA 90017
Attn: Alfred E. Smith, II, General Counsel
Fax: (213) 612-7801

10.5 Statutory References

All statutory references in this Agreement shall be construed to refer to that statutory section mentioned, related successor sections, and corresponding provisions of subsequent law, including all amendments.

10.6 Construction

The language in all parts of this Agreement shall be in all cases construed simply according to its fair meaning and not strictly for or against any of the Parties.

10.7 Section Headings

The captions of the Articles or Sections in this Agreement are for convenience only and in no way define, limit, extend or describe the scope or intent of any of the provisions hereof, shall not be deemed part of this Agreement and shall not be used in construing or interpreting this Agreement.

10.8 Governing Law

This Agreement has been executed by Construction Authority and LACMTA in the State of California and this Agreement shall be governed by and construed according to the laws of the State of California, without giving effect to the principles of conflicts of law thereof.

10.9 Pronouns and Plurals

Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine and neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.

10.10 Time of the Essence

Except as otherwise provided herein, time is of the essence in connection with each and every provision of this Agreement.

10.11 Further Actions

LACMTA and Construction Authority hereby agree to execute, acknowledge and deliver such additional documents, and take such further actions, as may reasonably be required from time to time to carry out each of the provisions, and the intent, of this Agreement.

10.12 Third-Party Beneficiaries

There are no third-party beneficiaries of this Agreement. This Agreement is made and entered into for the sole protection and benefit of the Parties hereto, and no other person or entity shall be a direct or indirect beneficiary of, or shall have any direct or indirect cause of action or claim in connection with this Agreement.

10.13 Exhibits

The Exhibits attached to this Agreement are incorporated herein and shall be part of this Agreement for all purposes.

10.14 Approvals

All approvals required by either Party pursuant to this Agreement shall not unreasonable be withheld.

10.15 Entire Agreement

This Agreement constitutes the entire agreement of the Parties with respect to, and supersedes all prior written and oral agreements, understandings, and negotiations with respect to the subject matter hereof. Notwithstanding the preceding sentence, this Agreement does not supersede the Property Trust Agreement or the Funding Agreement.

10.16 Authority of Parties

Each of the Parties hereby represents and warrants that it has full legal Construction Authority and is duly empowered to enter into this Agreement, and has taken all actions necessary to authorize the execution and delivery of this Agreement. Each Party further agrees that this Agreement complies with PUC Section 132400 et seq. and represents and warrants that the execution, delivery and performance by it of this Agreement does not and will not:

- (a) require any consent or approval not heretofore obtained of any person or judicial or administrative body;
- (b) violate any order, writ, judgment, injunction, decree, determination or award having applicability to such Party: or
- (c) result in a breach of or constitute a default under, cause or permit the acceleration of any obligation owed under, or require any consent under, any indenture or any agreement, contract, lease, or instrument to which such Party is bound or affected.

Further, the Parties represent and warrant that, to their actual knowledge, there are no orders, judgments, injunctions, awards, decrees, rulings, charges or writs of any Governmental Construction Authority in effect preventing the consummation of, nor any pleadings filed in connection with any actions seeking an injunction against, any of the transactions contemplated by this Agreement.

10.17 Binding Obligation

This Agreement, when executed and delivered, is the legal, valid and binding obligation of the Parties hereto.

IN WITNESS WHEREOF, the Parties have cause this Agreement to be executed as of the Effective Date.

LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION CONSTRUCTION AUTHORITY

By: _____ Date: _____
Phillip A. Washington
Chief Executive Officer

APPROVED AS TO FORM:
Mary C. Wickham
County Counsel

By: _____
Deputy

METRO GOLD LINE FOOTHILL EXTENSION
CONSTRUCTION AUTHORITY

By: _____ Date: _____
Habib F. Balian
Chief Executive Officer

APPROVED AS TO FORM:
Nossaman LLP

By: _____
Alfred E. Smith, II
General Counsel

Exhibit A

DESCRIPTION OF THE PROJECT

The Phase 2B project will provide a light rail transit (LRT) system linking the cities of Azusa, Glendora, San Dimas, La Verne, Pomona, and Claremont, and will involve relocation and reconfiguration of existing freight and Metrolink commuter rail track. The Project includes approximately 11.7 miles of double light rail main track; tail tracks beyond the Claremont platform; new bridges; improvements to existing culverts; retaining walls and sound walls; embankment improvements; drainage and storm water improvements; five at-grade passenger stations; five parking structures; intermodal interfaces; traction electrification system comprised of traction power supply substations (TPSS) and overhead contact system (OCS); grade crossings and adjacent roadway/traffic signal improvements; station equipment; wayside equipment; communications systems; approximately 10.4 miles of freight rail track and associated siding relocations and improvements; light rail train control/signaling system; freight track signaling system; approximately 1.3 miles of Metrolink track relocation and signaling, including Positive Train Control (PTC); a new Claremont Metrolink platform on the Metrolink Corridor; landscaping; and all related appurtenances, accessories, subsystems, documentation, procedures, spare parts, manuals, and special tools.

Light rail vehicles (LRV), universal fare system (UFS) equipment, the radio system for the LRT system, the rail operations control (ROC) facility, and the light rail supervisory control and data acquisition (SCADA) system will be provided by Metro.

A general overview of the Project alignment is provided below:

Foothill Gold Line Pasadena to Azusa Tail Track to Gladstone Avenue Segment

This segment of the alignment is approximately 4.4 miles, runs mainly at-grade, and includes eight at-grade crossings at Barranca Avenue, Foothill Boulevard/Grand Avenue (freight only), Vermont Avenue, Glendora Avenue, Pasadena Avenue, Glenwood Avenue, Elwood Avenue, Loraine Avenue, grade separations at Foothill Boulevard/Grand Avenue (LRT only), SR66, Lone Hill Avenue, and multiple channel crossings. This segment of the alignment contains an existing freight track which will be relocated and remain active during the entire construction of the Project.

This segment of the Project has one center platform station in Glendora between Vermont Avenue and Glendora Avenue. The Glendora parking structure will contain a minimum of 420 stalls with a vehicular connection to Vermont Avenue, as well as pedestrian connections to Vermont Avenue, Glendora Avenue, and the LRT Platform. The Glendora station will have a pedestrian connection from the parking facility to the platform via a pedestrian undercrossing.

Gladstone Avenue to White Avenue Segment

This segment of the alignment is approximately 3.9 miles, runs mainly at-grade, and includes 11 at-grade crossings at Gladstone Avenue, Eucla Avenue, Bonita Avenue/Cataract Avenue, Monte Vista Avenue, San Dimas Avenue, Walnut Avenue, San Dimas Canyon Road, Wheeler Avenue, A Street, D Street, E Street, and multiple channel crossings, as well as the undercrossing at SR-57.

This segment contains an existing freight track that will be relocated and remain active during the entire Project.

This segment of the Project has one center platform passenger station in San Dimas (east of San Dimas Avenue) and one center platform passenger station in La Verne (east of E Street). The San Dimas parking structure will contain a minimum of 450 stalls with a vehicular connection to Arrow Highway. The La Verne parking structure will contain a minimum of 600 stalls with a vehicular connection to Arrow Highway. Both the San Dimas station and the La Verne station will have a pedestrian connection from the parking facility to the platform via a pedestrian undercrossing.

White Avenue to Freight/Metrolink Tie-in Segment

This segment of the alignment is approximately 1.9 miles, runs mainly at-grade, and includes two at-grade crossings at White Avenue and Fulton Avenue, two grade separations at Garey Avenue and Towne Avenue, as well as a channel crossing. This segment of the alignment contains an existing single track freight alignment and existing sidings that will be relocated and remain active during the entire Project. The Metrolink commuter rail tracks are immediately to the south of the LRT tracks in this segment and will not be disturbed with the exception of improvements to the grade crossing warning systems.

This segment of the Project has one center platform station in Pomona (west of Garey Avenue). The Pomona parking structure will include a minimum of 850 spaces with a vehicular connection to a new access road located north of the parking structure. The parking structure shall be connected to the LRT station via a pedestrian overcrossing.

Freight/Metrolink Tie-in to Claremont

This segment of the alignment is approximately 1.5 miles, runs mainly at-grade, and includes four at-grade crossings at Cambridge Avenue, Indian Hill Boulevard, College Avenue, and Claremont Boulevard, as well as a channel crossing. This segment of the alignment contains an existing dual track freight/Metrolink commuter rail alignment that will be relocated and remain active during the entire construction of the Project.

This segment of the Project has one center platform LRT station in Claremont (west of College Avenue). The Claremont station will have an at-grade pedestrian connection from both ends of the platform. The Claremont parking facility will consist of a structure located east of College Avenue and north of the LRT tracks as well as a parking lot, and

will include a minimum of 1260 spaces. In addition, a new Metrolink platform will be constructed approximately 800 feet west of College Avenue with a pedestrian undercrossing that connects to the Claremont parking structure to the north and the recreational area to the south.

Exhibit B

[INTENTIONALLY OMITTED]

Exhibit C

**CERTIFICATION OF TURNBACK
FOR PHASE 2B OF THE FOOTHILL EXTENSION PROJECT**

This Certification of Turnback ("Certificate") is issued by the Metro Gold Line Foothill Extension Construction Authority ("Construction Authority") to the Los Angeles County Transportation Authority ("LACMTA") for the purpose of completing Phase 2B of the Foothill Extension Project ("Project").

RECITALS:

1. WHEREAS, pursuant to Section 7.5.1 of the Master Cooperative Agreement for the Metro Gold Line - Glendora to Claremont, executed between the parties on or about [____], 2017 ("MCA"), Construction Authority has agreed to certify that the Project is completed and ready for Turnback to the LACMTA; and

2. WHEREAS, Construction Authority has determined that the Project has been completed and is ready for Turnback to the LACMTA;

CERTIFICATION OF TURNBACK

NOW, THEREFORE, incorporating, and in consideration of, the foregoing Recitals, Construction Authority hereby issues the following Certification of Turnback to the LAMCTA, as follows:

1. **Effective Date of Certification.**

This Certificate shall have an effective date of _____, 20____.

2. **Construction Authority's Determination of Project Completion**

The Construction Authority hereby certifies to LACMTA that all requirements of Section 7.5.1 of the MCA have been satisfied, and the Project is ready for Turnback to LACMTA.

IN WITNESS WHEREOF, the Board of Directors of the Construction Authority has caused this Certification to be duly executed and delivered as of the above date.

**METRO GOLD LINE FOOTHILL EXTENSION
CONSTRUCTION AUTHORITY**

Approved as to Form:
Nossaman LLP

By: _____
Habib F. Balian
Chief Executive Officer

By: _____
Alfred E. Smith, II
General Counsel

Exhibit D

ACKNOWLEDGEMENT OF TURNBACK OF PHASE IIA OF THE GOLD LINE LIGHT RAIL PROJECT

This Certificate of Acknowledgement ("Certificate") is issued by the Los Angeles County Metropolitan Transportation Authority ("LACMTA") to the Metro Gold Line Foothill Extension Construction Authority ("Construction Authority").

RECITALS:

1. WHEREAS, pursuant to the Master Cooperative Agreement for the Metro Gold Line - Glendora to Claremont executed between the parties on or about [____], 2017 (the "MCA"), LACMTA agreed to receive and acknowledge the Turnback of the Project so long as Construction Authority certified that the Project was ready for Turnback, in accordance with Section 7.5.1 of the MCA;
2. WHEREAS, Construction Authority has delivered to LACMTA its Certification of Turnback;

CERTIFICATE OF ACKNOWLEDGEMENT

NOW, THEREFORE, incorporating, and in consideration of, the foregoing Recitals, LACMTA hereby issues the following Certificate of Acknowledgement to the Construction Authority, as follows:

1. **Effective Date of Certificate.**

This Certificate shall have an effective date of _____, 20__.

2. **LACMTA Acknowledgement of Turnback of the Project**

The LACMTA has reviewed the status of the Project and hereby acknowledges:

- a. the receipt and transfer of the Project, subject to the requirements of the Property Trust Agreement;
- b. that Construction Authority has fulfilled all of its obligations under the MCA.

IN WITNESS WHEREOF, the LACMTA has caused this Certificate to be duly executed and delivered as of the above date.

**LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY**

By: _____
Phillip A. Washington
Chief Executive Officer

Approved as to Form:

[_____]
County Counsel

By: _____
Deputy

ATTACHMENT C

Foothill Gold Line Extension Phase 2B Light Rail Project

Measure R Cost Management Process and Policy Analysis

Introduction

The Measure R Cost Management Process and Policy (the Policy) was adopted by the Metro Board of Directors in March 2011. The Policy caps Measure R project funding at the amounts in the Measure R Expenditure Plan. The intent of the Policy is to inform the Metro Board of Directors regarding potential cost increases to Measure R-funded projects and the strategies available to close any funding gaps. The Foothill Gold Line Extension Phase 2B Light Rail Project is subject to this policy analysis.

The establishment of the Foothill Gold Line Extension Phase 2B Light Rail Project Life-of-Project (LOP) budget of \$1,406.9 million requires an increase of \$309.9 million over the assumed total project cost of \$1,097.0 million established in Measure M. The Measure M Expenditure Plan identified \$1,019.0 million in Measure M revenues for the Project with an additional commitment of \$78.0 million in “Local, State, Federal, Other Funding”. The table below summarizes the funding need for the Project and the proposed source of funds:

Table 1 - Foothill Gold Line Extension Phase 2B Light Rail Project Funding Sources

Source/Use	Amount	Notes
Measure M	\$1,019.0 million	Line #5 Measure M Expenditure Plan
Measure R / Proposition C	\$ 96.5 million	Remainder from Phase 2A, see concurrent Board rpt.
Local Agency Contribution	\$ 42.2 million	Measure M 3% Local Agency Contribution
TIRCP ¹	\$ 249.2 million	Metro will submit grant on behalf of Authority
Total Revenue	\$1,406.9 million	
Construction/RW/Vehicles	\$1,406.9 million	Total Cost at LOP Budget approval step.
Total Costs	\$1,406.9 million	

The primary source of funds used to address the funding need for the Project will come from the Transit and Intercity Rail Capital Program (TIRCP). Metro intends to submit a

¹ Transit and Intercity Rail Capital Program. A competitive grant administered by the California State Transportation Agency (CalSTA) and funded through Greenhouse Gas Reduction Fund auction proceeds (AKA “Cap and Trade” Funds).

grant for TIRCP funds on behalf of the Authority in the next grant cycle which is anticipated to start in the Summer/Fall of 2017.

Measure R Cost Management Policy Summary

In summary, the adopted Policy stipulates that project costs will be evaluated at each of the following project milestones:

- 1) Selection of conceptual design alternatives to be studied in the environmental phase;
- 2) Selection of the Locally Preferred Alternative and entrance into the Preliminary Engineering phase;
- 3) Approval of the final environmental document and entrance into the final design phase;
- 4) Establishment of a life-of-project budget prior to construction; and,
- 5) Any amendment to the life-of-project budget.

If a project increase occurs, the LACMTA Board of Directors must approve a plan of action to address the issue prior to taking any action necessary to permit the project to move to the next milestone. Increases will be measured against the 2009 Long Range Transportation Plan (LRTP) as adjusted by subsequent actions on cost estimates taken by the LACMTA Board of Directors, in this instance, the Measure M Expenditure Plan. With certain exceptions, shortfalls will first be addressed at the project level prior to evaluation for any additional resources using these methods in this order:

- 1) Value engineering and/or scope reductions;
- 2) New local agency funding resources;
- 3) Shorter segmentation;
- 4) Other cost reductions within the same transit corridor or highway corridor;
- 5) Other cost reductions within the same sub-region; and finally,
- 6) Countywide transit and highway cost reductions and/or other funds will be sought using pre-established priorities.

The policy was amended in January 2015 to establish Regional Facility Areas at Ports, airports and Union Station; and states that any:

“...capital project cost increases to Measure R funded projects within the boundaries of these facilities are exempt from the corridor and subregional cost reductions. Cost increases regarding these projects will be addressed from the regional programs share.”

The Foothill Gold Line Extension Phase 2B Light Rail Project does not fall within a Regional Facility Area.

Value Engineering and/or Scope Reductions

There may be potential for value engineering and/or scope reductions as the Project moves closer to finalizing design work. One potential source of scope reductions could

come from reducing the quantity of proposed parking. Other project elements, including grade separations and First/Last Mile features, could counteract these reductions. We will return to the Metro Board with recommended reductions and the associated costs savings or changes once we know the outcome of the future competitive grant opportunities, which are discussed below.

New Local Agency Funding Resources

The Authority has agreed to include assumed funding from the three percent contribution required under Measure M ordinance for the Project. The \$42.2 million identified as “Local Agency Contribution” will satisfy this requirement as well as some portion of the Board-adopted First/Last Mile Policy (Motion 14.1, May 2016 and Motion 14.2, June 2016). In addition, the Metro Board of Directors has previously agreed to transfer funds remaining in Measure R 35% or Proposition C 25% from the Gold Line Foothill Extension Phase 2A to the Foothill Gold Line Extension Phase 2B Light Rail Project LOP. After this step, a funding gap of **\$249.2 million** remains.

Shorter Segmentation

While shorter segmentation would be possible, it would present several legal, policy, and technical challenges. First, both Measure R and Measure M indicate the full project extending to Claremont. Not constructing the full project would be inconsistent with the Measure M Ordinance. Secondly, the Foothill Gold Line Extension Phase 2B Light Rail Project is environmentally cleared through Montclair in San Bernardino County. The Project also has a supplemental environmental clearance to Claremont. As a result, the project at a minimum must at least reach Claremont. Any shorter segmentation would require an additional supplemental environmental analysis. Third, any shorter segmentation would likely require new land acquisitions for turnback facilities and a reconfiguration of the distribution of parking spaces. This could increase the overall costs of the Project.

Other Cost Reductions within the Same Transit Corridor

The only project that might be deferred in this corridor, other than the Regional Connector, discussed below, are yet to be determined sub-regional Measure M projects for the San Gabriel Valley as a whole. Since we do not know the other projects in this corridor with any specificity at this time, we discuss those projects in the sub-regional step below. The only project which may be considered within the corridor is the Regional Connector. However, since this project is well under construction, removing funds would jeopardize the construction schedule as well as the terms of the New Starts grant and TIFIA loan funding the Regional Connector. We therefore recommend moving to the next step.

Other Cost Reductions within the Same Sub-region

The Foothill Gold Line Extension Phase 2B Light Rail Project is located within the San Gabriel Valley Subregion. Table 2 shows the projects and programs located within the subregion and could be deferred at the Board’s discretion to address the funding need for the Project.

While some of these projects are potentially available for deferment, we do not recommend taking this step until new funding opportunities are first pursued. The majority of the projects shown in Table 2 have significant congestion, environmental, and safety benefits which would be adversely impacted by deferral. While the Subregional Equity Program funds are to be provided as soon as possible, the entire amount would not be potentially realized until 2057. Given the urgent need of the funding for the Project, we recommend moving to the next step now and returning to this step only if necessary later.

Table 2 – San Gabriel Valley Subregion Projects and Programs

Project	Amount Available (FY17-FY27)	Fund Source
I-710 North Extension	\$218.3 million	Measure R 20%
ACE Grade Separations	\$284.4 million	Measure R 20% Proposition C25%
I-605 Hotspots	\$122.7 million	Measure R 20% Measure M Highway
I-605 Interchange Improvements	\$291.6 million	Measure R 20%
SR-57/SR-60 Interchange Improvements	\$338.6 million	STBGP RIP Measure M Highway
Subregional Equity Program	\$199.0 million	Measure M
2015 Call for Projects	\$ 14.8 million	Proposition C 25%

Countywide Cost Reductions and/or Other Funds

The 2009 LRTP included a policy that any new revenues not then included in the LRTP, would be made available to the Gold Line Foothill Extension and the Crenshaw/LAX Transit Corridor. To address the funding gap for the Foothill Gold Line Extension Phase 2B Light Rail Project, we recommend pursuing grant funding from the Transit and Intercity Rail Capital Program (TIRCP), which is funded from the State of California's Greenhouse Gas Reduction Fund.

We have previously submitted the Foothill Gold Line Extension Phase 2B Light Rail Project for consideration in the last cycle. While the project scored well, it was ultimately not selected for funding due to the TIRCP funds being oversubscribed.

Subsequently, the California State Legislature approved SB 9, which requires CalSTA to approve, by July 1, 2018, a five-year program of projects, and would require the California Transportation Commission to allocate funding to eligible applicants pursuant to the program of projects, with subsequent programs on a two-year cycle every even-numbered year. This first extension of the TIRCP program is expected to make a substantial amount of funding available.

We are hopeful that resubmitting this project would likely result in a successful grant application within the context of SB 9. With approval of the Board, we can prioritize a TIRCP grant application request totaling \$249.2 million. Should the TIRCP grant award be less than requested, we will return to the Board with additional strategies for identifying additional revenues and/or cost reductions using the steps above.

ATTACHMENT D
Expenditure Plan - Cost and Cashflow Budget
Metro Gold Line Foothill Extension Phase 2B Glendora to Claremont
(in millions of dollars escalated to the year of the expenditure) Initial Draft 05-18-17

Capital Project 865202	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	Total
Uses of Funds	15	16	17	18	19	20	21	22	23	24	25	26	27	
Pre-Construction	3.5	3.0	2.3	1.4	21.0	7.3								38.5
Construction					26.3	77.6	137.8	168.9	128.6	96.7	84.8	11.6		732.3
Right of Way					30.0	36.0	3.0							69.0
Professional Services	0.6	0.2	6.6	16.6	19.4	19.7	19.4	19.6	19.8	20.4	20.8	17.9		181.0
Project Contingency					19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	13.0	165.0
Vehicles										10.0	30.0	29.0	15.0	84.0
Metro Costs			0.1	2.5	3.0	5.0	17.4	18.0	18.0	21.0	10.1	10.3	3.0	108.3
Metro Contingency					1.0	2.0	2.3	4.0	4.0	5.0	5.0	4.4	1.1	28.8
Total Project Costs	4.1	3.2	9.0	20.5	119.7	166.6	198.9	229.5	189.4	172.1	169.7	92.2	32.1	1,406.9



Board Report

File #: 2017-0262, **File Type:** Contract

Agenda Number: 40.

CONSTRUCTION COMMITTEE JUNE 15, 2017

SUBJECT: SUPPLEMENTAL ENGINEERING SERVICES (SES) CONSULTANT SERVICE CONTRACT

ACTION: AWARD PROFESSIONAL SERVICE CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to EXECUTE:

- A. a three-year cost plus fixed fee type contract for AE36687 with Mott MacDonald Group for Supplemental Engineering Services for Engineering Design of Rail and Highway Transportation Projects on a task order basis, plus two one-year options. The amount for the three years base contract is \$15,000,000 and the amount for the two one-year options is \$5,000,000 for a total contract value not to exceed \$20,000,000; subject to resolution of protest(s), if any; and
- B. individual Task Orders and changes within the Board approved contract amount.

ISSUE

Currently, Metro's staff engineers, architects and CADD designers in the Facilities Engineering Group are fully engaged in supporting our current Major Rail Transit Projects (Crenshaw, Regional connector and Purple Line sections 1, 2 and 3), Metro Capital Improvements projects (CIP) such as the Patsaouras Plaza project and the Willowbrook / Rosa Parks Station Improvement Project and the State of Good Repairs Projects (SOG) such as the Metro Blue Line (MBL) Pedestrian Gates project, the MBL Signaling Rehabilitation and Operational Improvements project, the I-210 Barriers Replacement project and the Pershing Square Escalators Replacement project.

The passage of Measure M will add a considerable workload to the Facilities Engineering group with projects that are starting or that are completing design in the next five years such as the 96th Street Airport Metro Connector, the Goldline Foothill Extension to Claremont, the Orange Line BRT Improvements and the BRT Connector Orange / Red Line to the Gold Line, which all have groundbreakings within the next five years.

In addition, important motions by Board of Directors require considerable engineering work to evaluate the feasibility and develop conceptual alternative designs to validate engineering solutions for the projects called by the motions: This includes but is not limited to the MBL Wardlow Grade

Separation study, the MBL Washington/ Flower Wye Improvement or Grade Separation, and the Pico Station Grade Separation.

Our previous Supplemental Engineering Services (SES) contract has expired. This new SES will enable Metro the flexibility to supplement internal resources on an as-needed basis for the work detailed above, when we either do not have the sufficient capacity, or lack the particular expertise necessary to perform a particular specialty task in a timely manner. Metro Engineering staff does not possess the resources or technical skills to carry out certain specialized tasks such as Traffic Control Plans, Noise and Vibration Control or Corrosion Control. There is not currently a need for full-time resources for these specialties. Therefore, it is more efficient to use consultants on an as-needed basis.

DISCUSSION

Metro Engineering has developed this SES Contract to supplement Metro's engineering efforts. The SES consultant team shall be capable of supporting its engineering group's technical disciplines. This Contract will be issued for a term of three years with two one-year optional extensions for a maximum total duration of five years. The Procurement Summary for this Contract is included as Attachment A.

This Contract called for the proposers to demonstrate their capabilities and technical expertise listed in the Statement of Work for this RFP. The technical proficiencies required for this SES contract (PS8510-3002) are very comprehensive and include all engineering and specialties disciplines which Metro may require in support of its projects. These include the following:

General Services include:

1. Preliminary and Final Design of Transportation including Rail and Highway Projects.
2. Design Review Support & Coordination for CIP projects & other special projects.
3. Production of Project Status, Technical and Engineering Reports.
4. Design of Structures, Stations and Guideways.
5. Facilities/Systems Interface Coordination.
6. Surveying Services.
7. Cost Estimating.
8. Intra/Inter Disciplinary Coordination.
9. Scheduling and Cost Management for Task Orders.
10. Post Design Services including; Bid and Design Support during Construction.
11. Administrative Tasks associated with General Engineering Support Services.

Specific Rail Facilities and Third Party Utility Design Services include:

12. Engineering Services for Review and Approval of Metro Projects.
13. Development of Technical Specifications, Drawings and Reference Documents.
14. Engineering Services for support of Metro Rail Operations and Maintenance.
15. Land Surveying and Legal Description.
16. Potholing.
17. Geotechnical Services, Borings and Reports.
18. Civil & Utility Engineering.

19. Drainage Design and Hydraulic Calculations.
20. Structural Engineering.
21. Bridges and Aerial Structure Design.
22. Tunnels, Trenches and Underground Station Design.
23. Track Work Engineering, Plan and Profile.
24. CPUC Grade Crossing Application including attendance to field diagnostic meetings.
25. Yard and Shop Rail Maintenance Facility Design.
26. Architectural Design.
27. Station Site Development.
28. Urban Design Integration.
29. Landscape Architecture.
30. Traffic Control Plans including Striping Drawings and Signal Drawings.
31. CADD and MicroStation Drawings.
32. BIM Services and Training.
33. Project Presentation including Three Dimensional Rendering.
34. Corrosion Control Measures and Cathodic Protection.
35. Value Engineering and Cost Reduction.
36. Noise and Vibration Analysis including Site Visits, Measurement and Mitigation.
37. Any other engineering or technical discipline not listed above that is ancillary to the Statement of Work and consistent with the general requirements of an approved Task Order.
38. HVAC design including HVAC and emergency ventilation.
39. Electrical Design.
40. Plumbing Design.
41. Fire Protection Design.

DETERMINATION OF SAFETY IMPACT

This SES Contract is not directly related to a specified safety issue. However, the services provided via this SES Contract will reduce Metro's dependency on limited internal resources and, thus, is generally in support of safety initiatives.

FINANCIAL IMPACT

As specific engineering design or support needs arise, task orders will be issued and funded from the associated project budget, upon approval by the responsible Project Manager.

Since this is a multi-year project, the Chief Program Management Officer, Project Managers and respective Cost Center Managers will be responsible for budgeting for costs of future task orders related to this contract.

IMPACT TO BUDGET

The funding for the task orders are provided by the specific project requiring the services. The source for these funds are in line with the respective projects' funding plans and fund sources may consist of federal and/or state grants as well as local funds. Many of the state of good repair projects

are funded with local funding sources that are eligible for rail and bus operations.

ALTERNATIVES CONSIDERED

- 1) Solicit qualifications proposals for each individual task when the requirement arises: This alternative is not recommended as it would require extensive additional staff time to process each individual task and would result in project delays due to the lead time required to complete each procurement cycle. Additionally, procuring services on a per-assignment basis would impose significant additional burden on the Engineering and Vendor/Contract Management departments.
- 2) Utilize existing engineering staff to provide the required technical support: This alternative is also not feasible as Metro's current engineering capacity is fully utilized to support the existing major, CIP and SOGR projects. Due to these commitments, it is anticipated that the current staff would be challenged to provide the necessary additional technical support required for the up-coming capital projects which will be under concurrent development. If this alternative were exercised, Metro would need to hire additional staff with expertise in several currently underrepresented disciplines to perform this work. Such an action is not practical nor cost-effective.

NEXT STEPS

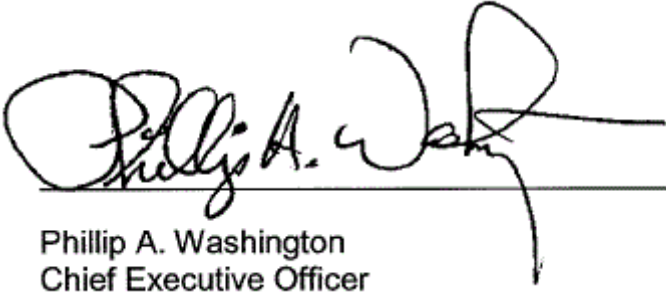
Upon Board approval, staff will complete the process to award the contract. Specific task orders will then be issued on an as needed basis.

ATTACHMENTS

Attachment A: Procurement Summary
Attachment B: DEOD Summary

Craig Remley, Sr. Structural Engineer (213) 922-3981
Sam Mayman, Sr. Executive Officer, Engineering (213) 922-7289

Reviewed by:
Debra Avila, Chief Vendor/Contract Management Officer (213) 418-3051
Richard F. Clarke, Chief Program Management Officer (213) 922-7557



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

SUPPLEMENTAL ENGINEERING SERVICES – RAIL FACILITIES AND 3RD PARTY SERVICES / CONTRACT NUMBER AE36687

1.	Contract Number: AE36687	
2.	Recommended Vendor: Mott MacDonald, LLC	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input checked="" type="checkbox"/> RFP–A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: December 19, 2016	
	B. Advertised/Publicized: December 26, 2016	
	C. Pre-proposal/Pre-Bid Conference: December 28, 2016	
	D. Proposals/Bids Due: January 25, 2017	
	E. Pre-Qualification Completed: May 30, 2017	
	F. Conflict of Interest Form Submitted to Ethics: May 24, 2017	
	G. Protest Period End Date: May 19, 2017	
5.	Solicitations Picked up/Downloaded: 101	Bids/Proposals Received: 5
6.	Contract Administrator: Rafael Vasquez	Telephone Number: (213) 418-3036
7.	Project Manager: Aspet Davidian	Telephone Number: (213) 922-5258

A. Procurement Background

This Board Action is to approve the award of Contract No. AE36687, issued in support of Supplemental Engineering Services – Rail Facilities and 3rd party Services (SES). The scope of the Contract is to provide Engineering and Design including Final Design of Transportation projects which include rail and highway projects. Board approval of contract awards are subject to resolution of all properly submitted protests.

The RFP was issued in accordance with Metro's Acquisition Policy and California Government Code §4525 - 4529.

The contract is an Indefinite Delivery Indefinite Quantity type contract using Task Orders to release unique scopes of work and compensating the Consultant, at lump sum prices to the maximum extent possible, or as necessary on a cost reimbursable fixed fee basis for costs. The Contract period of performance is three base years plus two one year options.

One amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on January 12, 2017, to modify RFP requirements including General Certification Forms, Contractor Debarment, Suspension, Ineligibility and voluntary Exclusion Instructions.

On December 28, 2016, a pre-proposal conference was held with thirty-two (32) firms in attendance. A total of 5 proposals from the following firms were received on January 25, 2017:

1. Mott MacDonald, LLC;
2. HDR;
3. AECOM;
4. STV, Inc.; and
5. CH2M

B. Evaluation of Proposals/Bids

A Proposal Evaluation Team (PET) consisting of staff from Engineering Management and from Major Capital Project Engineering was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- | | |
|----------------------------------------------------------------------------|-----|
| • Experience and Capabilities of the Firms on the Consultant's Team | 30% |
| • Key Personnel's Skills and Experience | 30% |
| • Effectiveness of Management Plan | 20% |
| • Understanding of Work and Appropriateness of Approach For Implementation | 20% |

This is an Architect and Engineering (A&E), qualifications based procurement. Price cannot be and was not used as an evaluation factor as governed by California Government Code §4525 – 4529.

The evaluation criteria were appropriate and consistent with criteria developed for other, similar A&E solicitations.

During the week of March 16, 2017, the evaluation committee conducted oral presentations with the firms. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation committee's questions. In general, each team's presentation addressed the requirements of the RFP, the understanding of work approach, design experience and stressed each firm's commitment to the success of the project. Also highlighted were staffing plans, work plans, and perceived project issues. Each team was asked questions relative to each firm's qualifications and previous experience.

Qualifications Summary of Recommended Firm:

The evaluation performed by the PET, in accordance with evaluation criteria set forth in the RFP, determined Mott MacDonald, LLC as the most qualified firm to provide the required services.

Mott MacDonald, LLC has extensive experience with Metro “on call” contracts and have also done similar projects for other transit agencies. Their firm showed a good understanding of Metro’s processes and solutions to mitigate potential risks.

In addition to their project team, Mott MacDonald, LLC clearly demonstrated the integration of subcontractors and their Project Management Plan clearly defined communication and monitoring of subcontractors. This includes redundancy across roles to ensure availability and a high percentage of staff commitment. Mott MacDonald, LLC showed clear identification of opportunities to improve services through innovative approaches.

Mott MacDonald’s core personnel, consists of a highly qualified group of key staff and support personnel to address all tasks outlined in the Scope of Services with the ability to deploy staff to meet the needs of Metro’s Supplemental Engineering Services program. The proposal outlines how the consultant team will efficiently work collaboratively on Metro’s Supplemental Engineering Service related projects to ensure assigned tasks and projects are properly coordinated to meet the goals and objectives of Metro’s Supplemental Engineering Service program.

The PET ranked the proposals and assessed strengths, weaknesses and associated risks of each of the Proposers to determine the most qualified firm.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Mott MacDonald, LLC				
3	Experience and Capabilities of the Firms on the Consultant’s Team	89.33	30.00%	26.80	
4	Key Personnel’s Skills and Experience	90.33	30.00%	27.10	
5	Effectiveness of Management Plan	88.67	20.00%	17.73	
6	Understanding of Work and Appropriateness of Approach for Implementation	92.00	20.00%	18.40	
7	Total		100.00%	90.03	1

8	HDR				
9	Experience and Capabilities of the Firms on the Consultant's Team	91.67	30.00%	27.50	
10	Key Personnel's Skills and Experience	86.67	30.00%	26.00	
11	Effectiveness of Management Plan	87.00	20.00%	17.40	
12	Understanding of Work and Appropriateness of Approach for Implementation	90.67	20.00%	18.13	
13	Total		100.00%	89.03	2
14	AECOM				
15	Experience and Capabilities of the Firms on the Consultant's Team	85.33	30.00%	25.60	
16	Key Personnel's Skills and Experience	88.67	30.00%	26.60	
17	Effectiveness of Management Plan	84..33	20.00%	16.87	
18	Understanding of Work and Appropriateness of Approach for Implementation	92.00	20.00%	18.40	
19	Total		100.00%	87.47	3
20	STV				
21	Experience and Capabilities of the Firms on the Consultant's Team	83.67	30.00%	25.10	
22	Key Personnel's Skills and Experience	84.67	30.00%	25.40	
23	Effectiveness of Management Plan	85.33	20.00%	17.07	
24	Understanding of Work and Appropriateness of Approach for Implementation	87.67	20.00%	17.53	
25	Total		100.00%	85.10	4
26	CH2M				
27	Experience and Capabilities of the Firms on the Consultant's Team	84.67	30.00%	25.40	
28	Key Personnel's Skills and Experience	84.67	30.00%	25.40	
29	Effectiveness of Management Plan	85.33	20.00%	17.07	
30	Understanding of Work and Appropriateness of Approach for Implementation	84.33	20.00%	16.87	
31	Total		100.00%	84.74	5

C. Cost/Price Analysis

A cost analysis of labor rates, indirect rates and other costs was completed in accordance with Metro's Procurement Policies and Procedures to negotiate a fair and

reasonable price. The analysis includes among other things, (1) a comparison with similar firms offering the same services; (2) an analysis of audited rates and factors for labor, equipment and other prices that will comprise the rates upon which the Consultant will base its invoices, and (3) compliance with both the Federal Acquisition Regulation (FAR) guidelines and Generally Accepted Accounting Principles (GAAP). Metro negotiated and established direct labor rates plus provisional indirect rates and a fixed fee rate. The pricing for each task order will utilize the rates, plus the negotiated fixed fee factor, to establish a lump sum price or a not-to-exceed cost reimbursable amount plus a fixed fee.

An audit request has been submitted to the Metro Management Audit Services Department (MASD). In order to prevent any unnecessary delay in contract award, provisional rates will be established subject to retroactive adjustments upon completion of any necessary audits. In accordance with FTA Circular 4220.1.F, if an audit has been performed by any other cognizant agency within the last twelve month period, Metro will receive and accept that audit report for the above purposes rather than perform another audit.

D. Background on Recommended Contractor

The recommended firm, Mott MacDonald, was founded in 1902 as (Mott & Hay) and in 1996, Mott MacDonald and the Canadian company Hatch created a joint venture called Hatch Mott MacDonald in North America. In 2016, Hatch Mott MacDonald was divided into two separate businesses. Mott MacDonald pursues projects in the U.S., Canada and around the world. Mott MacDonald specializes in rail transit, tunnels, transportation and highways.

DEOD SUMMARY

**SUPPLEMENTAL ENGINEERING SERVICES (SES) CONSULTANT SERVICES
CONTRACT / AE36687**

A. Small Business Participation

The Diversity and Economic Opportunity Department established a 20% goal, inclusive of 17% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) for this project. Mott MacDonald formed a team that included SBE and DVBE firms without schedules or specific dollar commitments prior to the establishment of this on-call contract and has committed to meeting the 17% SBE and 3% DVBE goals. Overall SBE/DVBE participation for the on-call Contract will be determined based on the aggregate of all Task Orders awarded.

Small Business Goal		17% SBE 3% DVBE	Small Business Commitment	17% SBE 3% DVBE
	SBE Subcontractors	Scope of Work	NAICS Codes	% Committed
1.	Anil Verma	Mechanical, Electrical, and Plumbing Engineering and Architecture Services	541330 - Engineering Services 541310 - Architecture Services	TBD
2.	Arellano Associates	Public Outreach, Communications, Stakeholder Engagement	541613 - Marketing Consulting Services 541820 - Public Relations Agencies	TBD
3.	BA Inc.	Utility Design Engineering	541330 - Engineering Services 541340 - Drafting Services 541690 - Other Scientific and Tech. Consulting	TBD
4.	Earth Mechanics	Geotechnical and Earthquake Engineering	541330 - Engineering Services 541380 - Testing Laboratories	TBD
5.	Engineering Solutions Services	Grant Writing, Structural Engineering	541330 - Engineering Services 541611 - Administrative Services	TBD
6.	Gibson Transportation	Transportation Engineering	541611 - Administrative Services 541618 - Other Management Consulting Services 561499 - All Other Business Support Services	TBD

7.	Lenax	Cost Estimating Services	541330 - Engineering Services 541310 - Architecture Services	TBD
8.	McLean & Shultz	Architectural, Structural, and Civil Engineering Design Services	237110 - Water and Sewer Line and Related Structures (Construction Management) 237310 - Highway, Street, and Bridge Const. (Construction Management) 541611 - Admin. Management and Gen. Consulting	TBD
9.	Morgner Construction Management	Construction Management Support Services, Pre-Construction Surveys	541330 - Engineering Services	TBD
10.	PacRim Engineering	Structural Design Support	541330 - Engineering Services 541370 - Surveying and Mapping Services	TBD
11.	Rail Surveyors Engineers	Rail Transit Engineering and Surveying	541620 - Environmental Consulting Services 541690 - Other Scientific and Tech. Consulting	TBD
12.	Terry Hayes and Associates	Environmental Services	541330 - Engineering Services 541618 - Other Management Consulting Services 541690 - Other Scientific and Tech. Consulting	TBD
13.	The Alliance Group	Utility Engineering Design, Coordination, Management, Third Party Coordination	541611 - Administrative Services	TBD
14.	The Solis Group	Project Controls: Scheduling and Document Control	541370 - Surveying and Mapping 541360 - Geophysical Surveying and Mapping 541330 - Engineering Services	TBD
15.	Wagner Engineering	Land Surveying, Mapping, and Right of Way Engineering	541370 - Surveying and Mapping 541360 - Geophysical Surveying and Mapping 541330 - Engineering Services	TBD
				17%

	DVBE Subcontractors	Scope of Work	NAICS Codes	% Committed
1.	MA Engineering	Civil Engineering Services	541330 - Engineering Services	TBD
Total DVBE Commitment				3%

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention is not applicable to this Contract.

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.



Board Report

File #: 2016-0988, File Type: Contract

Agenda Number: 42.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE JUNE 15, 2017

SUBJECT: 295 FORTY FOOT CNG TRANSIT BUS CONTRACT

ACTION: AWARD CONTRACT FOR REPLACEMENT TRANSIT BUSES

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to award a firm fixed-price contract, Contract No. OP28367-000 - Part A, to El Dorado National-California, Inc. (ENC) of Riverside, CA, for the manufacture and delivery of 295 40' CNG transit buses, in the amount of \$199,067,748 for the base contract, including taxes and delivery; exclusive of contract options, subject to resolution of any properly submitted protest.
- B. AUTHORIZING the CEO to award an additional not-to-exceed amount of \$4,500,000 for Optional Vehicle Features, Spare Parts, and Training Aids for a total combined contract amount not-to-exceed \$203,567,748.
- C. ESTABLISHING a life-of-project budget of \$207,567,748, for the 295 40' CNG buses under project no. CP 201057.
- D. FINDING that the award to ENC, Inc. is made to the Proposer that provides the agency with the best value and is most advantageous to Metro. The recommended price addresses all contract requirements and represents the best overall value when all RFP evaluation factors are considered, including advantages in the Local Employment Program incentives.

ISSUE

Between FY18-FY22, Metro will require up to 600 40' buses to replace existing 40' CNG buses reaching the end of their useful life during this period. This action authorizes the award of a base contract for 295 40' buses to ENC for the replacement of 295 existing 40' CNG buses that have passed the end of their useful life and are slated for retirement.

DISCUSSION

In April 2016, Metro's Board of Directors authorized staff to initiate RFP OP28367 for the

procurement of up to 1,000 CNG or Zero Emission Transit Buses. RFP OP28367 was issued in July 2016. There are four parts to the RFP, one for each of four vehicle types:

- Part A, 40' CNG buses;
- Part B, 60' CNG buses;
- Part C, 40' Zero Emission buses; and
- Part D, 60' Zero Emission buses.

This recommended Board action pertains solely to Part A, 40' CNG buses.

This bus procurement is part of Metro's bus fleet replacement plans for FY18 - 22. During this period, Metro will be replacing 40' buses that were purchased between 2000 and 2005 and are past FTA's recommended minimum threshold of 500,000 miles or 12 years in revenue service.

Staff will return later this year with award recommendations for the other three parts of this solicitation. Staff prioritized the solicitation review of Part A as these 40' CNG buses are needed as soon as possible to replace 40' CNG buses that have reached the end of their service life and are experiencing declining reliability and availability due to their advancing age.

For this contract procurement, Metro used a "Best Value" competitive negotiation process which considered factors such as:

- Broadest possible range of competing products and materials available
- Fitness for purpose
- Scoring preference for voluntary participation in Metro's Local Employment Program
- Manufacturer's warranty
- Performance and Reliability
- Life Cycle Costs
- Delivery Schedules
- Support logistics

Utilization of a "Best Value" solicitation process for this procurement identified the 40' CNG bus most suited to Metro's operating needs by permitting discussions with proposers to evaluate performance and reliability of the proposed components, warranty, cost data and delivery schedule.

The Local Employment Program (LEP) is a FTA approved pilot for Metro's Rolling Stock procurements. The LEP allows for geographical preferences to be applied as part of Metro's evaluation scoring. The voluntary program provides proposers with incentive points for creating new jobs in California. The proposed awardee ENC committed to creating 36 new FTEs with wages, benefits, and facility improvements totaling \$5.9 million.

DETERMINATION OF SAFETY IMPACT

There will be anticipated safety improvements for operating these new CNG buses in Metro's bus fleet. These buses will also incorporate the latest safety features and designs, including improved ADA amenities and boarding ramps. New buses will provide a safer, cleaner operating environment for Metro's passengers and employees.

FINANCIAL IMPACT

Total LOP funding of \$207,567,748 is included in Cost Center 3320 - Vehicle Technology, in project 201057. For FY18, there is \$1.38 million programmed to cover expenses for purchasing these buses. Because this is a multi-year contract, the Cost Center Manager will be responsible for ensuring that future year funding is programmed. In addition to the direct contract award, \$4.5 million in funding has been included in the contract award recommendation amount to cover costs for optional equipment, including upgraded passenger counters, stop request buttons and USB passenger charging ports, as well as spare parts, diagnostic test equipment, and training aids.

Impact to Budget

Future funding for this procurement may come from various Federal, State and local funding sources including financing options that are eligible for Bus Capital Projects. Staff will pursue all sources of funding maximizing their use for these activities.

ALTERNATIVES CONSIDERED

Staff considered purchasing exclusively 40' Zero Emission Buses (ZEB's). This is not recommended at this time as a service-proven ZEB program has not been identified that can effectively cover the broad scope of Metro's operational needs without impacting service. Due to charging requirements and range limitations, battery electric ZEB's are not currently capable of replacing CNG buses on a 1:1 basis. Additionally, significant electrification for Metro's operating lines and facilities would first have to be completed to support operation of a 295 electric bus fleet.

Staff also considered replacing CNG fuel tanks on buses that are slated for retirement to extend their service life. This is not recommended as operating CNG buses that are past the end of their useful life will result in degraded quality of service, reduced fleet reliability, and increased operating and maintenance costs. The costs to return retirement eligible CNG buses back to "Service Ready" condition is significant, often \$150,000-\$200,000 per bus.

NEXT STEPS

Upon Board approval, staff will execute the contract with ENC and issue a Notice to Proceed.

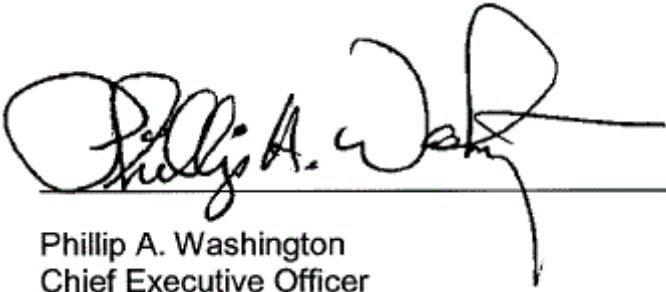
ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

Attachment C - Funding/Expenditure Plan

Prepared by: John Drayton, Director of Vehicle Technology, (213) 617-6285
Jesus Montes, Sr. Executive Officer, Vehicle Acquisition (213) 922-3838

Reviewed by: James T. Gallager, Chief Operations Officer, (213) 418-3108
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

295 FORTY FOOT CNG TRANSIT BUS CONTRACT/OP28367-000 (Group A)

1.	Contract Number: OP28367-000	
2.	Recommended Vendor: ElDorado National (California), Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: 07.29.16	
	B. Advertised/Publicized: 08.04.16; 08.08.16; 08.12.16; 08.15.16	
	C. Pre-Proposal Conference: 08.30.16	
	D. Proposals Due: 11.28.16	
	E. Pre-Qualification Completed: 05.26.17	
	F. Conflict of Interest Form Submitted to Ethics: 04.19.17	
	G. Protest Period End Date: 06.16.17	
5.	Solicitations Picked up/Downloaded: 63	Bids/Proposals Received: 3
6.	Contract Administrator: Elizabeth Hernandez	Telephone Number: (213) 922-7334
7.	Project Manager: John Drayton	Telephone Number: (213) 617-6285

A. Procurement Background

This Board Action is to approve Contract No. OP28367-000 issued in support of Metro's bus fleet replacement plan to procure new buses for replacement of 40' CNG buses that will reach the end of their useful life. Group A – 40' CNG bus buy base order consists of 295 buses, with Option orders of up to 305 additional buses for a total of 600 40' CNG buses. Board approval of contract awards are subject to resolution of any properly submitted protest.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit price.

Twenty two amendments (22) were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on 08.03.16, updated the required certifications;
- Amendment No. 2, issued on 08.08.16, provided revised Pre-Proposal Conference date and venue;
- Amendment No. 3, issued on 08.11.16, updated due dates for requests for approved equals and clarifications;
- Amendment No. 4, issued on 08.26.16, edited the submittal forms and technical specifications;
- Amendment No. 5, issued on 09.07.16, extended the proposal and clarifications requests due dates, edited submittal forms and technical specifications, and established a project data repository for plan holder access to RFP documents;

- Amendment No. 6, issued on 09.16.16, extended the proposal and clarifications requests due dates, edited submittal forms and technical specifications, and scheduled on site bus inspections for proposers;
- Amendment No. 7, issued on 09.30.16, edited pricing forms, technical specifications, and commercial terms and conditions;
- Amendment No. 8, issued on 10.14.16, edited pricing and clarification request forms, technical specifications, and commercial terms and conditions;
- Amendment No. 9, issued on 11.02.16, edited pricing forms, technical specifications, and commercial terms and conditions;
- Amendment No. 10, issued on 11.07.16, edited pricing forms, technical specifications, and commercial terms and conditions;
- Amendment No. 11, issued on 11.10.16, extended the due dates for Groups A and B, 40' and 60' CNG proposals, and edited commercial terms and conditions;
- Amendment No. 12, issued on 11.22.16, edited pricing and submittal forms;
- Amendment No. 13, issued on 12.12.16, extended the due dates for Groups C and D 40' and 60' zero emission bus proposals;
- Amendment No. 14, issued on 01.12.17, edited commercial terms and conditions for Group A;
- Amendment No. 15, issued on 01.13.17, extended the due dates for Groups C and D, 40' and 60' zero emission bus proposals;
- Amendment No. 16, issued on 01.26.17, extended the due dates for Groups C and D, 40' and 60' zero emission bus proposals.
- Amendment No. 17, issued on 01.31.17, edited pricing forms and technical specifications for Groups C and D, 40' and 60' zero emission bus proposals;
- Amendment No. 18, issued on 02.06.17, edited pricing forms for Groups C and D, 40' and 60' zero emission bus proposals;
- Amendment No. 19, issued on 02.10.17, solicited best and final offers (BAFO) from Group A proposers;
- Amendment No. 20, issued on 02.24.17, edited documents for Group A;
- Amendment No. 21, issued on 02.28.17, edited documents for Group A;
- Amendment No. 22, issued on 03.30.17, solicited BAFO from Group A proposers.

A pre-proposal conference was held on August 30, 2016. On-site bus inspections were scheduled on October 4, 5, and 6, 2016. A total of three proposals were received on November 28, 2016.

Questions received throughout the solicitation process and Metro's responses to those questions were made accessible to the RFP plan holders by posting them at Metro's project data repository. Nine sets of Questions and Answers were issued for a total of 754 questions and answers uploaded to the repository from August 12, 2016, to December 30, 2016. Proposers for Group A, 40' CNG buses requested, and Metro granted, several extensions changing the proposal due date from the initial date of September 30, 2016 to November 28, 2016.

The proposal evaluation period from November 29, 2016 through March 27, 2017, included reviews of the written proposals, clarifications requests and responses, oral presentations, proposers' manufacturing and engineering site visits, face-to-face and conference call discussions, and transit agency reference checks. These series of evaluation processes were necessary to assess and determine the proposers' strengths and weaknesses in their respective technical and price proposals.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro's Vehicle Technology and Acquisition, Maintenance, Operations, and Transportation was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

• Technical Compliance	400 points
• Price	300 points
• Project Management Experience	100 points
• Experience and Past Performance	100 points
• Life Cycle Costs	<u>100 points</u>
Sub-Total	1,000 points
• Voluntary Local Employment Program (Incentive Points)	<u>50 points</u>
Total Available Points	1,050 points

The evaluation criteria are appropriate and consistent with criteria developed for other, similar bus procurements. Several factors were considered when developing these weights, giving the greatest importance to the technical compliance of the proposed bus.

The Local Employment Program (LEP) is a FTA approved pilot for Metro's Rolling Stock procurements. The LEP allows for geographical preferences to be applied as part of Metro's evaluation scoring. The voluntary program provides proposers with incentive points for creating jobs in California.

All three proposals received were determined to be within the competitive range. The firms within the competitive range are listed below in alphabetical order:

1. ElDorado National (California), Inc. (ENC)
2. New Flyer of America, Inc. (NFA)
3. Nova Bus, a Division of Prevost Car (US) Inc. (Nova)

The PET began its review of the written technical proposals submitted by the three proposers on November 28, 2016. Based on the PET's initial review, written requests for clarification were sent to the three proposers and the appropriate responses were received and reviewed accordingly.

In January 2017, the PET scheduled site visits to each of the proposers' manufacturing and engineering facilities. The agenda for the site visits included facility/plant/site manufacturing process tour, in depth presentations and discussions by the Proposer's management, engineering and project key personnel on the following topics:

1. Technical Proposal – Detailed presentations of the proposed vehicle systems and sub-systems vis-à-vis Metro's technical specifications;
2. Project Management;
3. Experience and Past Performance;
4. Consolidated comments and discussions of the strengths, weaknesses, deficiencies, and risks in the technical Proposals as noted by the PET in the individual evaluations.

The PET was supported by Consultant Technical Advisors (TAs) with subject matter expertise relative to the review, evaluation, assessments, and recommendations for the Life Cycle Costs (LCC) and Local Employment Program (LEP) submittals. Each of the Proposers voluntarily participated in the LEP by committing to hire new local residents to support this contract.

A total of 389 Requests for Deviations were submitted by the Proposers for Metro's review and consideration. The deviations were discussed individually with the Proposers during negotiation discussions conducted in January through the first week of February.

The PET conducted telephone reference checks with prior clients of the three proposers. The reference check resources did not discuss any major issues of concern to the PET members.

All three proposers were determined by the PET to be in the competitive range and the invitation to submit their best and final offer was issued on February 10, 2017.

Best and Final Offer (BAFO)

Best and Final Offer (BAFO) submittals were received on March 6, 2017, and were reviewed and evaluated by the PET. All three BAFO submittals contained shortcomings or weaknesses in the Local Employment Program, technical requirements, or price. Upon review by Metro's PET Executive Oversight Committee, it was determined that Metro and the Proposers would all benefit from re-entering into discussions and issuing a second BAFO request. The second BAFO requests were issued on March 30, 2017, with a due date of April 7, 2017. The PET

reviewed the second BAFOs and prepared a recommendation for award memorandum on April 20, 2017.

Qualifications Summary of Firms within the Competitive Range:

EIDorado National (California), Inc. (ENC)

EIDorado National (California), Inc. (ENC), is a California corporation located in Riverside, California. ENC, a subsidiary of REV group, was established in 1975, and designs and manufactures low floor and standard floor medium and heavy-duty buses for public transit/paratransit, airport, parking and university transportation markets. ENC has delivered 40' CNG buses to Sonoma County Transit, Victor Valley Transit Authority, and City of Los Angeles Department of Transportation.

ENC's proposal ranked second in technical compliance and price, and third in life cycle costs, project management, and experience and past performance. ENC's Local Employment ranked highest in dollar value for jobs creation and facility capital investment.

Nova Bus, a Division of Prevost Car (US) Inc. (Nova)

Nova Bus is a wholly owned subsidiary of Volvo Bus Corporation, a world manufacturer of coaches and buses. Nova Bus is a division of Volvo Bus Corporation's Prevost Car (US), Inc.

Nova Bus has a vehicle structure plant in Saint-Francois-du-Lac, Quebec Canada, and a final assembly plant in Plattsburgh, New York. Nova proposed final assembly of LACMTA vehicles at their Plattsburgh facility.

Nova scored first in technical compliance, project management, and experience and past performance, third in price, second in life cycle costs, and third in local employment plan. Nova is ranked second overall among the three proposers.

New Flyer of America, Inc. (NFA)

NFA is a North Dakota corporation organized in October 1989 and is a wholly owned subsidiary of Transit Holdings, a holding company that owns New Flyer of America, Inc. and New Flyer Industries Canada ULC.

NFA proposed to build LACMTA bus orders in its St. Cloud, Minnesota and Ontario, California facilities. The St. Cloud plant is a production and finishing facility. The Ontario, California facility houses production, service and aftermarket parts.

NFA has delivered 40' CNG buses to transit agencies such as Washington Metropolitan Area Transit Authority (WMATA), Orange County Transit Authority (OCTA), Dallas Area Rapid Transit (DART), Massachusetts Bay Transit Authority

(MBTA), and Clark County Regional Transportation Commission, including LACMTA's 900 bus order.

NFA scored third in technical compliance, project management, and experience and past performance, second in price, first in life cycle costs, and second in local employment plan. NFA was ranked third overall among the Proposers.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Firm 1 – ENC				
3	Technical Compliance	80.64	400	322.55	
4	Price	97.43	300	292.28	
5	Project Management	72.55	100	72.55	
6	Experience and Past Performance	72.35	100	72.35	
7	Life Cycle Costs	89.48	100	89.48	
8	Local Employment Plan	100.00	50	50.00	
9	Total		1050	899.21	1
10	Firm 2 – Nova				
11	Technical Compliance	81.64	400	326.55	
12	Price	97.32	300	291.97	
13	Project Management	80.30	100	80.30	
14	Experience and Past Performance	77.90	100	77.90	
15	Life Cycle Costs	93.60	100	93.60	
16	Local Employment Plan	39.21	50	19.61	
17	Total		1050	889.93	2
18	Firm 3 – NFA				
19	Technical Compliance	71.16	400	284.65	
20	Price	100.00	300	300.00	
21	Project Management	76.65	100	76.65	
22	Experience and Past Performance	75.25	100	75.25	
23	Life Cycle Costs	100.00	100	100.00	
24	Local Employment Plan	72.81	50	36.40	
25	Total		1050	872.95	3

C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon adequate price competition, an independent cost estimate (ICE), technical evaluation, technical evaluation, fact finding, and negotiations. The Base and Option vehicles are based on Firm Fixed Unit Rate prices. The Optional Vehicle Features are also based on Firm Fixed Prices for total Base Buy and Option Buy quantities.

	Proposer Name	Proposal Amount	Base Buy (295)	Option Buy (305)	Optional Features**	Negotiated or NTE amount
	Metro ICE*		\$169,625,000.00	\$175,375,000.00	\$19,045,275.64	Not Applicable
1.	ENC	\$421,840,739.08	\$199,067,747.90	\$205,721,544.10	\$10,082,988.65	\$414,872,280.66
2.	Nova	\$401,124,569.00	\$198,654,031.84	\$205,409,950.75	\$11,253,889.77	\$415,317,872.36
3.	NFA	\$376,016,808.51	\$188,967,503.05	\$195,129,436.39	\$20,102,229.35	\$404,199,168.79

*Note: Metro's estimated per unit cost of the vehicle is based upon the 900 bus order configuration that did not include the design requirement for electronically driven accessories. Metro is the first transit agency to require electronically driven accessories in a CNG bus configuration.

** \$4,500,000 of the ENC amount shown for Optional Features is for the Base Buy for a total contract price of \$203,567,748.

The PET determined that ENC's proposal provides the Best Value and is most advantageous to Metro. Price analysis shows that the negotiated amount for the recommended firm, ENC, is slightly lower than that from the second-highest overall rated firm, Nova, and \$10.67 million higher than the third-highest overall rated firm, NFA. ENC's proposal, from a Best Value perspective, offers Metro advantages in local job creation and price over Nova, and provides Metro with advantages in the local jobs program and the combined technical categories over NFA.

Local Employment Program

All three firms participated in Metro's voluntary Local Employment Program (LEP). This participation resulted in incentive points based on total proposed wages, benefits and training of new employees hired in California. The LEP also provides points for facility improvements made to facilities in California. The table below describes the commitment levels for all three Proposers for new local jobs and facility improvements. ENC received the most incentive points for new local jobs, training and facility improvements.

Proposers:	ENC	Nova	NFA
Total Local Employment, Facility and Training Investment	\$5,976,164	\$2,343,396	\$4,351,031

D. Background on Recommended Contractor

The recommended firm, EIDorado National (California), Inc. (ENC), located in Riverside, California, established in 1975, designs and manufactures low floor and standard floor medium and heavy-duty buses for public transit/paratransit, airport,

parking and university transportation markets. ENC's entire manufacturing operations, engineering, purchasing, warranty, publications and service support, as well as its financial and administrative offices are all located in its 226,869 square feet plant and facility in a 17-acre property in Riverside which became operational in April 2004. ENC has a current commitment to deliver 300 buses from November 1, 2016 to October 31, 2017. Its manufacturing facility has the capacity, and capability to support double its current production volume.

ENC is a subsidiary of REV group, a parent company of a 26 brands of vehicles that produce 20,000 vehicles per year for the bus, emergency, recreation and specialty markets. ENC anticipates REV's financial and human resources support with workforce, facilities and administration for this project.

ENC's proposed project lead and point of contact for this project has 28 years of experience with bus manufacturing in the United States transit industry, including project management and bid administration. ENC's proposed project team have years of experience in the transit/bus industry for engineering, quality control, production, testing, systems integration, and field/warranty support.

**295 BUS CONTRACT
FUNDING/EXPENDITURE PLAN**

In Thousands	FY17	FY18	FY19	FY20	Total LOP	% of Total
Uses of Funds						
Bus Acquisition ¹		750	170,396	27,922	\$199,068	96%
Labor	200	600	1,500	600	\$2,900	1.4%
Travel/Admin		25	50	25	\$100	0.00%
Spare Parts, Training, Service Manuals			2,250	2,250	\$4,500	2.2%
Contingency				1,000	\$1,000	0.5%
Total Project Cost	\$200	\$1,375	\$174,196	\$31,797	\$207,568	100%

In Thousands	FY17	FY18	FY19	FY20	Total LOP	% of Total
Sources of Funds						
Federal '5307	160	1,099	138,049	27,541	\$166,849	80.3%
State TCRP			13,422		\$13,422	6.5%
Local TDA 4/PC40	40	276	22,725	4,256	\$27,546	13.2%
Total Project Funding	\$200	\$1375	\$174,196	\$31,797	\$207,568	100%

DEOD SUMMARY

295 FORTY FOOT CNG TRANSIT BUS CONTRACT/OP28367-000 (Group A)

A. Small Business Participation

The Diversity and Economic Opportunity Department did not recommend a Disadvantaged Business Enterprise (DBE) participation goal for this rolling stock procurement. Transit Vehicle Manufacturers (TVM), as a condition of authorization to bid or propose on FTA-assisted transit vehicle procurements, must certify that it has an FTA approved DBE overall goal methodology in compliance with 49 Code of Federal Regulations (CFR) Part 26.49(a)(1). El Dorado National submitted an FY17 TVM Certification with their proposal, and is currently on FTA's list of eligible TVMs. In compliance with 49 CFR Part 26.49, TVMs report direct to FTA.

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this Contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.



Metro

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Board Report

File #: 2017-0426, **File Type:** Appointment

Agenda Number: 44.

EXECUTIVE MANAGEMENT COMMITTEE JUNE 15, 2017

SUBJECT: MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE SELECTIONS

ACTION: APPROVE MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE SELECTIONS

RECOMMENDATION

APPROVE:

- A. Emilie Elias, the recommended nominee for Retired Federal or State judge;
- B. Carlos Bohorquez, the recommended nominee for Professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience;
- C. Ryan Campbell, the recommended nominee for Professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews;
- D. Scott Hood, the recommended nominee for Professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews;
- E. Kyungwoo Kris Kim, the recommended nominee for Professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects;
- F. Virginia Tanzmann, the recommended nominee for Licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience; and

- G. Linda Briskman, the recommended nominee for Regional association of business representative with at least ten (10) years of senior-level decision making experience in the private sector.

ISSUE

The Measure M Ordinance approved by voters in November 2016 requires the establishment of a Measure M Independent Taxpayer Oversight Committee of Metro (“Committee”) to provide an enhanced level of accountability for expenditures of sales tax revenues made under the Expenditure Plan. The Committee shall carry out the responsibilities laid out in the Ordinance and will play a valuable and constructive role in the ongoing improvement and enhancement of project delivery contemplated under the Measure M Ordinance.

DISCUSSION

The Measure M Ordinance requires the establishment of the Measure M Independent Taxpayer Oversight Committee (“Committee”) comprised of seven members representing the following areas of expertise:

- A. A retired Federal or State judge;
- B. A professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience;
- C. A transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices;
- D. A professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews;
- E. A professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects;
- F. A licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience; and
- G. A regional association of business representative with at least ten (10) years of senior-level decision making experience in the private sector.

The Measure M Ordinance states that the Selection Panel consisting of Metro’s Board Chair, Vice Chair, and second Vice Chair or their designees shall select for approval the Committee Members. The Selection Panel will develop guidelines to solicit, collect, and review applications of potential candidates for membership on the Committee. In accordance with the Selection Panel’s guidelines, Metro developed a Communication Plan to promote the solicitation of applicants for the committee. As part of the extensive outreach to solicit applications, Metro sent letters to over 718 recipients including elected officials and city managers of 88 cities within Los Angeles County, Board of Supervisors offices, Councils of Governments, Federal and State Delegation, associations that represent professions identified for the Committee, business organizations and other stakeholders.

Additionally, news releases were disseminated to targeted publications, stories were posted on Metro's blogs and a short video was produced and shown on various social media channels. To collect the applications, Metro opened an online application process which ran from January 27, 2017 through April 18, 2017 using Metro's dedicated website for Measure M. Also, one-on-one meetings and legislative briefings were held with state and federal elected officials and staff to keep them apprised of the application process.

This report summarizes the results of the online application process.

Summary

The total number of applicants who submitted completed applications was 20. However, since some applicants applied for more than one area of expertise, a total of 26 applications were received in the following areas of expertise:

Total	Areas of Expertise
1	A. Retired Federal or State judge
1	B. Professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience
3	C. Transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices
12	D. Professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews
3	E. Professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects
2	F. Licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience
4	G. Regional association of business representative with at least ten (10) years of senior-level decision making experience in the private sector
26	Total Applications

In accordance with the restrictions set forth in the Ordinance, two of the 26 applications were ineligible because the applicants are considered public officeholders. Per the Ordinance, the intent is to have one member representing each of the specified areas of expertise. However, if after a good faith effort, qualified individuals have not been identified for one or more of the areas of expertise, then no more than two members from one or more of the remaining areas of expertise may be selected. The Selection Panel was not able to identify a qualified individual that would meet Area C. Transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices. Therefore, the Selection Panel selected two applicants from

Area D. Professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews.

DETERMINATION OF SAFETY IMPACT

Approval of this item will not negatively impact the safety of Metro's patrons or employees.

FINANCIAL IMPACT

Approving the recommended action brings no financial impact to the agency.

ALTERNATIVES CONSIDERED

One option would be to not approve the recommended members for the Committee and re-solicit applications. This is not recommended since any further delay in the establishment of the Committee may impact the Committee's ability to provide adequate review and approval of the scope of work of the auditors.

NEXT STEPS

Upon approval of the Committee members staff will schedule an orientation session for the Committee.

ATTACHMENTS

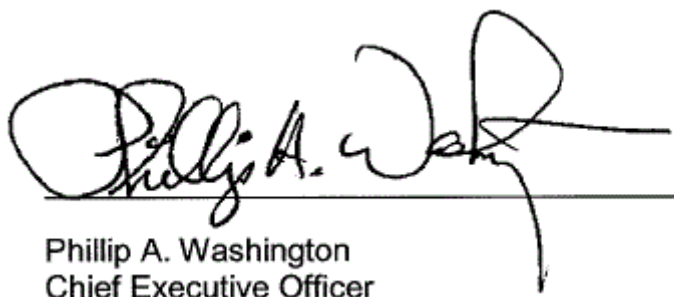
Attachment A - Committee Membership Requirements

Attachment B - Selection Panel Guidelines

Attachment C - Communication Plan

Prepared by: Diana Estrada, Chief Auditor, (213) 922-2161

Reviewed by: Stephanie Wiggins, Deputy Chief Executive Officer, (213) 922-1023



Phillip A. Washington
Chief Executive Officer

Measure M Independent Taxpayer Oversight Committee
Membership

Requirements:

Committee Members shall be comprised of seven (7) voting members representing the following professions or areas of expertise:

- A. A retired Federal or State judge
- B. A professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience
- C. A transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices
- D. A professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews
- E. A professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects
- F. A licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience
- G. A regional association of businesses representative with at least ten (10) years of senior-level decision making experience in the private sector

The intent is to have one member representing each of the specified areas of expertise. If, however, after a good faith effort, qualified individuals have not been identified for one (1) or more of the areas of expertise, then no more than two (2) members from one (1) or more of the remaining areas of expertise may be selected.

The members of the Committee must reside in Los Angeles County and be subject to conflict of interest provisions. No person currently serving as an elected or appointed city, county, special district, state, or federal public officeholder shall be eligible to serve as a member of the Committee.

The Committee members shall be subject to Metro's conflict of interest policies. The members shall have no legal action pending against Metro and are prohibited from acting in any commercial activity directly or indirectly involving Metro, such as being a consultant to Metro or to any party with pending legal actions against Metro during their tenure on this Committee. Committee members shall not have direct commercial interest

ATTACHMENT A

Measure M Independent Taxpayer Oversight Committee Membership

or employment with any public or private entity, which receives sales tax funds authorized by this Ordinance.

Each member of the Committee shall serve for a term of five (5) years, and until a successor is appointed, except that initial appointments may be staggered with terms of three (3) years. A Committee member may be removed at any time by the appointing authority. Term limits for Committee members will be staggered to prevent significant turnover at any one time. There is no limit as to the number of terms that a Committee member may serve. Members will be compensated through a stipend and they may choose to waive.

Any member may, at any time, resign from the Committee upon written notice delivered to the Metro Board. Acceptance of any public office, the filing of intent to seek public office, including a filing under California Government Code Section 85200, or change of residence to outside the County shall constitute a Member's automatic resignation.

**Selection Panel Guideline
Measure M Independent Taxpayer Oversight Committee**

Independent Taxpayer Oversight Committee Selection

I. Solicitation/Outreach

Metro's Communications Department will be responsible for developing an outreach plan to solicit applicants for the Measure M Independent Taxpayer Oversight Committee which requires the following seven (7) areas of expertise:

- A. A retired federal or state judge.
- B. A professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience.
- C. A transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices.
- D. A professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews
- E. A professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects.
- F. A licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience.
- G. A regional association of businesses representative with at least ten (10) years of senior-level decision making experience in the private sector.

Management Audit Services will partner with Information Technology Services and Communications in the maintenance and update of the Independent Taxpayer Oversight Committee Webpage that links to the Measure M website. The Independent Taxpayer Oversight Committee Webpage will include the purpose, responsibilities, membership of the Committee including eligibility requirements as stipulated in the Ordinance, vacancies and recruitment information at a minimum. The website will also include links to the full Ordinance and online application; as well as a centralized email address for applicant inquiries. Inquiries on the application will be forwarded to the respective department or personnel and response time will be within three to five business days.

II. Application Process

Management Audit Services in partnership with various business units within Metro will develop the draft application questions for the Selection Panel's input and approval. Once approved, the questions will be converted to an online application. The online application and bulletin will be approved by the Selection Panel prior to posting on the Independent Taxpayer Oversight Committee Webpage which links to the Measure M website. The application will be open to the public for at least sixty (60) days to allow for adequate outreach.

III. Collection of Applications

Submitted application forms will be collected using the online application process approved by the Selection Panel. At the end of at least the 60 day period of online application process, a summary of applications received together with the completed

**Selection Panel Guideline
Measure M Independent Taxpayer Oversight Committee**

applications and associated attachments will be turned in to the Selection Panel within seven business days after the online application closes. The summary will include but will not be limited to:

1. Total applicants received including areas of expertise that they applied for,
2. Total applicants that meet the eligibility requirements per area of expertise applied for, and
3. Total applicants that did not meet the eligibility requirements per area of expertise applied for.

IV. Selection Panel's Review of Applications

The Selection Panel, which will consist of Metro's Board Chair, Vice Chair, and second Vice Chair or designees, will be responsible for reviewing applications received from eligible applicants and for screening the applicants. The Panel shall recommend potential candidates for the Independent Taxpayer Oversight Committee membership to the Metro Board for approval. The successful candidates will receive notification from the Selection Panel at least three weeks prior to Metro Board Meeting.

V. Board Approval

Once the Selection Panel recommends the final candidates, it will be added as an agenda item for the Metro Board Meeting. The recommended candidates for Independent Taxpayer Oversight Committee Membership shall be approved by the Metro Board by a simple majority.

VI. Term

Each member of the Independent Taxpayer Oversight Committee shall serve for a term of five (5) years, and until a successor is appointed, except that initial appointments may be staggered with terms of three (3) years. A Committee member may be removed at any time by the appointing authority. Term limits for Committee members will be staggered to prevent significant turnover at any one time. There is no limit as to the number of terms that a Committee member may serve.

Six (6) months prior to expiration of term, the Selection Panel will convene to determine if there is any need to replace any of the Committee members. The Selection Panel will also confirm whether the incumbent Committee members still wish to serve for additional term(s).

VII. Compensation

Members will be compensated through a stipend, the amount of which is approved by the Metro Board. Members may choose to waive stipend.

VIII. Resignation/Replacement of Committee Members

Any member may, at any time, resign from the Committee upon written notice delivered to the Metro Board. Acceptance of any public office, the filing of intent to seek public office,

**Selection Panel Guideline
Measure M Independent Taxpayer Oversight Committee**

including a filing under California Government Code Section 85200, or change of residence to outside Los Angeles County shall constitute a Member's automatic resignation.

The filling of membership vacancies, due to removals and reappointments will follow the above procedures in this Guideline.

IX. Committee Orientation

Management Audit Services will work with various departments to prepare an orientation handbook and presentation will conduct the orientation at least one month prior to the first scheduled Independent Taxpayer's Oversight Committee.

X. Establishment of Committee Officers and Bylaws

Subsequent to the orientation, the Independent Taxpayer's Oversight Committee may elect to develop their own bylaws including rules for the establishment of Committee Officers (e.g. Chair, Vice Chair, etc.) including a rotation schedule for these positions.



ATTACHMENT C

Measure M Independent Taxpayer Oversight Committee Communication Plan

PURPOSE

The Measure M Independent Taxpayer Oversight Committee is designed to monitor and ensure that Measure M tax revenue is spent for transportation purposes as specified in the ordinance. This plan outlines the communication efforts to promote the solicitation of applicants for the committee and the selection process.

GOALS

- To keep the public informed about the Measure M Taxpayer Oversight Committee member selection process
- To ensure that stakeholders who represent the established sectors for committee composition are informed about the application process
- To make the committee application process easily accessible and intuitive on the Metro website

PLAN COMPONENTS

Public Relations

- Distribute news release on application process
- Post story on The Source and El Pasajero blogs
- Produce and post short video on role of Taxpayer Oversight Committee and application process
- Talking points on purpose of Oversight Committee

Community Relations

- Send letter from CEO to key stakeholders announcing the application process
 - 88 Mayors and all City Council Members
 - LA County Fed/State Legislative Delegation
 - City Managers
 - LA County Transit Operators (Muni's, Metrolink, etc.)
 - COG Executive Directors
 - Business, Labor, Environmental and other key stakeholder groups (disabled, etc.)
 - Board of Supervisors Offices
 - LA County Bar Association
 - Retired Judges Association
 - PIOs
- Include information about application process in key stakeholder presentations

Marketing

- Develop the application page on the Metro website and make it easily accessible
 - Website <https://www.metro.net/projects/taxpayer-oversight-committee/>

Government Relations

- Share information with state and federal elected officials and staff to keep them apprised of application process during regularly planned activities
 - One-on-one meetings
 - Legislative briefings



Metro

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Board Report

File #: 2017-0432, **File Type:** Federal Legislation / State Legislation (Position)

Agenda Number: 45.

..Meeting_Body

**EXECUTIVE MANAGEMENT COMMITTEE
JUNE 15, 2017**

SUBJECT: STATE LEGISLATION

ACTION: ADOPT STAFF RECOMMENDED POSITION

RECOMMENDATION

ADOPT staff recommended position:

- A. **TBD** - California Global Warming Solutions Act of 2006: Market-Based Compliance Mechanisms **SUPPORT**

ATTACHMENTS

Attachment A - Cap and Trade Advocacy Principals

Prepared by: Michael Turner, DEO, Government Relations, (213) 922-2122
Desarae Jones, Government Relations Administrator, (213) 922-2230

Reviewed by: Pauletta Tonilas, Chief Communications Officer, (213) 922-3777

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

Phillip A. Washington
Chief Executive Officer

BILL: TBD

AUTHOR: TBD

**SUBJECT: CALIFORNIA GLOBAL WARMING SOLUTIONS ACT OF 2006:
MARKET-BASED COMPLIANCE MECHANISMS**

STATUS: PENDING

ACTION: SUPPORT

RECOMMENDATION

Staff recommends that the Board reaffirm its support for the State's cap and trade program. The State Air Resources Board (CARB) is authorized under the California Global Warming Solutions Act of 2006 to monitor and regulate the sources of greenhouse gases and administer the cap and trade program.

Litigation has continued to threaten the State's Cap and Trade Program. In addition, during the Legislature's consideration of SB 1 (Beall, Frazier), the state transportation funding legislation, there was substantial discussion about increasing transit funding through the State's cap and trade program. Most recently, there has been substantial debate and discussion in the Legislature with respect to the need to exercise a two-thirds vote to reauthorize the cap and trade program beyond 2020, when that vote should take place and how those funds should be allocated.

Staff believes it would be appropriate for the Board to reiterate its support for the cap and trade program and express priorities for how the funds should be allocated. Staff therefore recommends that the Board adopt the following principles to guide our advocacy:

- The Board supports the extension and reauthorization of the cap and trade program by a two-thirds vote of the Legislature.
- The Board supports increasing the allocation cap and trade funds to public transit.
- The Board supports mechanisms that increase the funds allocated to Los Angeles County including mechanisms that ensure funds are allocated to disadvantaged communities.

DISCUSSION

There is also legal uncertainty whether ARB has the authority to operate the cap-and-trade program beyond 2020 and whether extending the authority to auction allowances beyond 2020 would require a two-thirds vote. The Governor's budget includes provisions that propose to continue authorizing spending in Cap-and-Trade funding beyond 2020.

Most recently, the Legislature has considered various proposals to extend and modify the cap and trade program. None of those measures secured enough votes for passage and it is expected that the Legislature will address the issue in the balance of the Legislative Session. Metro, through our Board Approved 2017 State Legislative Program supports the state's cap-and-trade program to fund transportation projects in Los Angeles County.

Metro seeks to ensure that cap-and-trade funds are allocated to transportation and that LA County receives a proportionate share. In previous years, Metro has been awarded funding through several cap-and-trade expenditure categories, including the TIRCP, LCTOP, SHOPP and TRCP programs. Additional priorities Metro would like to see incorporated in a final program to increase funding for transit through the cap-and-trade program.

Staff recommends that the Board reiterate its support for the State's cap and trade program.

DETERMINATION OF SAFETY IMPACT

There is no determined safety impact due to the enactment of the proposed legislation.

FINANCIAL IMPACT

The estimated financial impact has yet to be determined.

ALTERNATIVES CONSIDERED

Adopting an oppose position on re-authorizing the cap and trade program would be counter to the advocacy efforts as outlined in the Board Approved 2017 State Legislative Program Goal #5 which is to maximize opportunities for funding LA County's transportation projects and programs through implementation of the States' cap and trade programs.

NEXT STEPS

Should the Board decide to adopt the principals of support for the State's cap and trade program as outlined in this staff report; staff will communicate the Board's position to the Legislature as the program and pending legislation continues to be considered.



Board Report

File #: 2017-0284, File Type: Program

Agenda Number: 9.

FINANCE, BUDGET AND AUDIT COMMITTEE JUNE 14, 2017

SUBJECT: LOCAL RETURN PROPOSITION A AND PROPOSITION C CAPITAL RESERVE

ACTION: ESTABLISH NEW ACCOUNTS AND AMEND EXISTING CAPITAL RESERVE ACCOUNT FOR THE CITIES OF ARCADIA, BELL, DUARTE, SOUTH EL MONTE AND LYNWOOD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to negotiate and execute all necessary agreements between Los Angeles County Metropolitan Transportation Authority (LACMTA) and the Cities for their Capital Reserve Accounts as approved; and:

- A. ESTABLISH Proposition A and Proposition C Local Return funded Capital Reserve Account for the Cities of Bell, Duarte and South El Monte, as described in Attachment A; and
- B. APPROVE ~~three~~ four-year extension of Proposition A and Proposition C Local Return Capital Reserve Account for the Cities of Arcadia and Lynwood, as described in Attachment A.

ISSUE

A local jurisdiction may need additional time to accumulate sufficient funding to implement a project or to avoid lapsing of fund. Board approval is required if there is a need to extend beyond the normal lapsing deadline for Local Return Funds. The local jurisdiction may request that funding be dedicated in a Capital Reserve Account. Once approved, a local jurisdiction may be allowed additional years to accumulate and expend its Local Return funds from the date that the funds are made available.

DISCUSSION

Proposition A and Proposition C Local Return Guidelines require that Local Return funds be expended before a four-year lapsing deadline (the year of allocation plus three years). However, Capital Reserve Accounts are permitted under the Local Return Guidelines, with approval from the Board of Directors, the accounts may be established so that Los Angeles County local jurisdictions may extend the life of their Local Return revenue to accommodate longer term financial and planning commitments for specific capital projects.

Some of the Proposition A and Proposition C Local Return funds could lapse due to time constraints. According to the Local Return Guidelines, the lapsed funds then would be returned to LACMTA so that the Board may redistribute the funds for reallocation to Jurisdictions for discretionary programs of county-wide significance, or redistribute to each Los Angeles County local jurisdiction by formula on a per capita basis.

DETERMINATION OF SAFETY IMPACT

Approval of the project will allow for improvements to the streets and roads improvements and match for Gold Line Rail transit station as listed on Attachment A.

FINANCIAL IMPACT

With our recommendation, there would be no impact on the LACMTA Budget, or on LACMTA's Financial Statements. The Capital Reserve Account funds originate from the portion of Proposition A and Proposition C funds that are allocated to each Local Angeles County local jurisdiction by formula. Some of the city funds could lapse due to time constraints and other cities with small apportionments need the additional time in order to accumulate the needed funds for large capital projects.

ALTERNATIVES CONSIDERED

The cities have no other funds, and the projects could not be construction in a timely manner. If the Board does not approve the accounts, which we do not recommend, the Cities may not be able to accumulate sufficient funds necessary for their large capital projects as described in Attachment A. For example, the City of Duarte receives an annual Local Return Proposition C allocation of \$340,000. Therefore, a Capital Reserve is necessary to give them time to accumulate the \$1.7 million need for their project. The City of South El Monte receives an annual allocation of \$320,000 and needs time to fund their \$1.1 million needed. Arcadia is almost finished and needs additional time to complete the project. The Cities of Bell and Lynwood would lapse some of their funds. Final determination of lapsed funds is based on their annual audit. It is estimated that Bell and Lynwood could lapse \$400,000 and \$1.747 million respectively.

NEXT STEPS

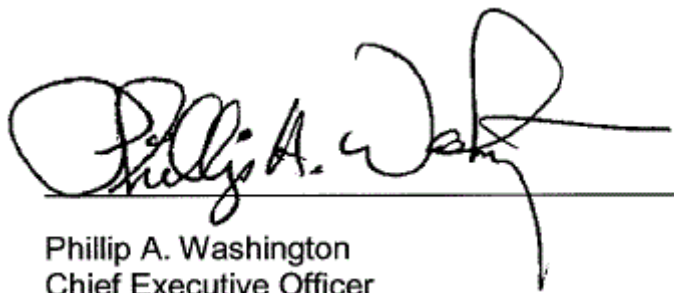
With Board approval of our recommendation, we will negotiate and execute all necessary agreements between LACMTA and the listed cities for their Capital Reserve Accounts as approved. We will monitor the account to ensure that the cities comply with the Local Return Guidelines and the terms of the agreement.

ATTACHMENTS

Attachment A - Project Summary for Proposed or Amended Capital Reserve Accounts

Prepared by: Susan Richan, Senior Manager, Transportation Planning, (213) 922-3017
Drew Phillips, Director, Budget, (213) 922-2109

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



Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

PROJECT SUMMARY FOR PROPOSED NEW AND AMENDED
CAPITAL RESERVE ACCOUNTS

JURISDICTION	PROJECT	AMOUNT	FUND	AGREEMENT TERMINATION/ REVIEW DATE
City of Bell 380-03 (New) Estimated lapse of \$400,000 on 6/30/17	<u>Project</u> Street Intersection, striping and Landscaped Median Improvements along Atlantic Ave <u>Justification:</u> The capital reserve will assist in the accumulation of funds and in the non-lapsing of funds to provide improvements along Atlantic Ave between Florence Ave and Randolph	\$400,000	Proposition C 20% Local Return	6/30/20 An estimated potential lapsing of \$400,000 on 6/30/17
City of Duarte #01-380 (New) Estimated annual lapse of \$340,000 6/30/20 6/30/21 6/30/22 6/30/23 6/30/24	<u>Project</u> Duarte's Local Match for Gold Line Rail Project <u>Justification:</u> The capital reserve will assist in the accumulation of funds to fund the local match for the Gold Line Light Rail Station and related station capital projects. The City anticipates using their annual funding apportionment for this project, on an annual basis, in order to achieve the desired total capital reserve amount.	\$1,718,047	Proposition A 25% Local Return	6/30/20 This is for additional time to accumulate funding for larger projects
City of South El Monte #01-380 (New) Estimated annual lapse of \$320,000 6/30/20 6/30/21 6/30/22	<u>Project:</u> Durfee Median Improvement & Striping <u>Justification:</u> The capital reserve will assist in the accumulation of funds to provide Improvements on Durfee between Thienes and Rush. The City anticipates using their annual funding apportionment for this project, on an annual basis, in order to achieve the desired total capital reserve amount.	\$1,100,000	Proposition C 20% Local Return	6/30/20 This is for additional time to accumulate funding for larger projects

JURISDICTION	PROJECT	AMOUNT	FUND	AGREEMENT TERMINATION/ REVIEW DATE
City of Arcadia #04-380 (Amended) Original MOU termination date 9/2/06. This is the 4 th amendment	Project: Gold Line Foothill Extension Related Improvements Justification: The capital reserve will assist in the completion of this project. This request is for an extension to 6/30/20.	\$2,000,000 (Prop A) \$3,000,000 (Prop C)	Proposition A 25% and Proposition C 20% Local Return	6/30/20 This project is almost complete. Request for more time to complete the project
City of Lynwood #58-380 (Amended) Estimated lapse of \$1,747,000 on 6/30/19.	Project: Long Beach Blvd Improvement Project (Phase II) Justification: The capital reserve will assist in the non-lapsing of funds to provide improvements. This is to amend amount from original MOU of \$1,747,000 to revised \$4,255,275 to fund Phase II of project.	\$4,255,275 (Revised) \$1,747,000 (Original)	Proposition C 20% Local Return	6/30/20 This project is now in Phase II. Request to increase amount.



Board Report

File #: 2017-0281, **File Type:** Contract

Agenda Number: 16.

PLANNING AND PROGRAMMING COMMITTEE JUNE 14, 2017

**SUBJECT: WEST SANTA ANA BRANCH TRANSIT CORRIDOR TRANSIT ORIENTED
DEVELOPMENT STRATEGIC IMPLEMENTATION PLAN**

ACTION: AWARD CONTRACT

RECOMMENDATION

AWARD AND EXECUTE an 18-month firm fixed price Contract No. PS36724000 to City Design Studio LLC, in the amount of \$1,632,788, to complete the Transit Oriented Development (TOD) Strategic Implementation Plan for the West Santa Ana Branch (WSAB) Transit Corridor, subject to resolution of protest(s), if any.

ISSUE

In June 2016, Metro, in partnership with the City of South Gate and the Eco-Rapid Transit Joint Power Authority (JPA), submitted a grant application to the Federal Transit Administration (FTA) requesting \$2 million from the TOD Planning Pilot Program for the WSAB Transit Corridor TOD Strategic Implementation Plan (the Plan). In the grant application, Metro committed to provide \$500,000 in Measure R 35% transit funds to meet FTA's local match requirement.

In October 2016, FTA notified Metro that it was the recipient of the grant. As provided in the grant, the Plan will provide a recommended, holistic TOD land use and economic development strategy for the 13 cities within and adjacent to the WSAB Transit Corridor. Attachment C contains the WSAB Transit Corridor Project Definition map currently included in the Corridor's Environmental Study. The 20-mile Light Rail Transit corridor, extending from the Los Angeles Union Station to the City of Artesia, would benefit from a unified TOD strategy to leverage the future transit investment in the corridor.

Board approval of the Contract is needed in order to proceed with the development of the Plan.

DISCUSSION

Background

In February 2016, the Board directed staff to allocate a budget, not to exceed \$18 million, to pursue Sustainable Transit Oriented Communities (TOC) pre-development and planning activities for the

WSAB Transit Corridor. The Corridor includes 13 cities; nine are within (Los Angeles, Vernon, Huntington Park, South Gate, Downey, Paramount, Bellflower, Cerritos and Artesia) and four are adjacent to the WSAB Transit Corridor (Bell, Bell Gardens, Cudahy and Maywood), all of which are expected to benefit from the transit investment. Upon final determination of the Locally Preferred Alternative, expected in fall 2018, up to 15 rail stations would be developed along the corridor. The WSAB Transit Corridor will bring service to over 600,000 residents (many of whom are transit dependent) in the southeast Gateway Cities subregion of Los Angeles County, an industrial/manufacturing corridor with low development intensities/densities, disadvantaged communities, and some of California's most impacted environmental justice census tracts. The WSAB Transit Corridor would be well-served by a unified TOD strategy to leverage the investment of future rail infrastructure and provide economic development opportunities for transit-dependent communities. Additionally, a unified TOD strategy supports implementation of the Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg) and the Sustainable Communities Strategy of the Southern California Association of Governments.

To prepare the Plan, the Contractor will:

1. Engage community stakeholders to create a unified approach to TOD along the corridor, and maximize community assets and potential benefits from future rail investment;
2. Provide baseline analysis of the WSAB corridor's population, market conditions, key industries, and real estate conditions;
3. Review existing land use policies and update/prepare station area plans with TOD strategies and renderings/visualizations; and
4. Develop an implementation strategy to support sustainable community revitalization along the transit corridor, which is tailored to the unique needs and strengths of the surrounding communities.

When completed, the Plan will have fulfilled the FTA grant obligation by:

1. Creating a cohesive vision for integrated land use and transportation planning along the 20-mile Light Rail corridor;
2. Providing 13 cities with TOD expertise and station area plans with TOD strategies that the local agencies may then consider for adoption into their land use regulations to facilitate TOD projects to leverage the WSAB Transit Corridor investment;
3. Addressing at-risk populations and concerns regarding gentrification and displacement; and
4. Developing a holistic implementation strategy for transit-supportive economic development tailored to the unique needs and strengths of the corridor.

DETERMINATION OF SAFETY IMPACT

These actions will not have any impact on the safety of our customers and/or employees.

FINANCIAL IMPACT

The FY 2016-17 budget includes \$800,000 in Cost Center 4370, Project 460201 (WSAB Transit Corridor). Since this is a multi-year contract, the Cost Center Manager and Chief Planning Officer will be responsible for budgeting in future years for the balance of the remaining project budget.

Impact to Budget

The funding for this project comes from the FTA grant and Measure R 35% transit funds. As these funds are earmarked for the WSAB Transit Corridor project, they are not eligible for Metro bus and rail capital and operating expenditures.

ALTERNATIVES CONSIDERED

The Board could consider deferring initiation of the Plan and/or completing this Plan and outreach activities using in-house resources. Neither of these options is recommended due to the FTA TOD Planning Pilot Program requirement for matching funds to be eligible for the grant funding award and insufficient in-house resources to develop a plan of this magnitude.

NEXT STEPS

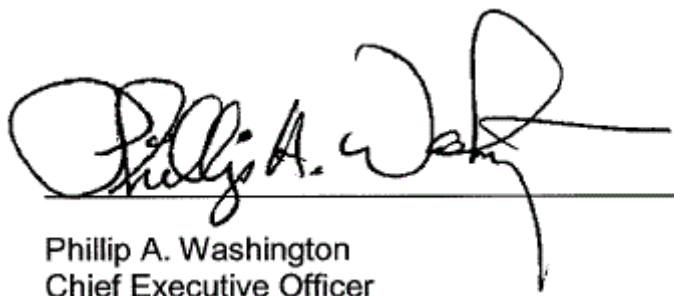
Upon Board approval, staff will execute Contract No. PS36724000 with City Design Studio LLC and initiate work. In addition, staff will execute the Funding Agreement with City of South Gate and the Eco-Rapid Transit JPA to establish the partnership.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary
Attachment C - WSAB Transit Corridor Project Map

Prepared by: Terri Slimmer, Senior Manager, (213) 922-6929
Fanny Pan, Senior Director, (213) 922-3070
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Manjeet Ranu, AICP, Senior Executive Officer, (213) 418-3157

Reviewed by: Therese W. McMillan, Chief Planning Officer, (213) 922-7077
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

**WEST SANTA ANA BRANCH TRANSIT CORRIDOR TRANSIT ORIENTED
DEVELOPMENT STRATEGIC IMPLEMENTATION PLAN/
PS36724000**

1.	Contract Number: PS36724000	
2.	Recommended Vendor: City Design Studio LLC	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: 1/11/2017	
	B. Advertised/Publicized: 1/11/2017	
	C. Pre-Proposal Conference: 1/19/17	
	D. Proposals Due: 2/21/2017	
	E. Pre-Qualification Completed: 4/26/2017	
	F. Conflict of Interest Form Submitted to Ethics: 4/19/2017	
	G. Protest Period End Date: 6/16/2017	
5.	Solicitations Picked up/Downloaded: 97	Bids/Proposals Received: 8
6.	Contract Administrator: Ana Rodriguez	Telephone Number: (213) 922-1076
7.	Project Manager: Terri Slimmer	Telephone Number: (213) 922-6929

A. Procurement Background

This Board Action is to approve Contract No. PS36724000 issued to develop a Transit Oriented Development (TOD) Strategic Implementation Plan for the West Santa Ana Branch (WSAB) Transit Corridor. Board approval of contract awards are subject to resolution of any properly submitted protest.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price. This RFP was issued under the Small Business Set-Aside program open to Metro certified small businesses only.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on February 6, 2017 extended the RFP due date through February 21, 2017; and
- Amendment No. 2, issued on February 9, 2017 provided clarification on the Statement of Work.

A pre-proposal conference was held on January 19, 2017 and was attended by 35 participants representing 33 firms. There were 71 questions submitted and responses were released prior to the proposal due date.

A total of 97 firms downloaded the RFP and were included on the planholders' list. A total of eight proposals were received on February 21, 2017.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro's Countywide Planning Department, Eco-Rapid Transit, and the City of South Gate was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- | | |
|----------------------------------------------------------------------------|------------|
| • Experience and Capabilities of Firms on the Team | 25 percent |
| • Personnel Qualifications, Availability, and Technical Capabilities | 25 percent |
| • Understanding of Work and Appropriateness of Approach for Implementation | 30 percent |
| • Price | 20 percent |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar procurements for TOD implementation plan professional services. Several factors were considered when developing these weights, giving the greatest importance to the understanding of work and appropriateness of approach for implementation.

The Diversity and Economic Opportunity Department (DEOD) reviewed the firms that submitted proposals in order to confirm their Metro Small Business Enterprise (SBE) certification status. All eight proposals received were deemed eligible Metro SBE certified firms and are listed below in alphabetical order:

1. AIM Consulting Services
2. BAE Urban Economics, Inc.
3. City Design Studio LLC
4. Gwynne Pugh Urban Studio, Inc.
5. John Kaliski Architects
6. Lee Andrews Group, Inc.
7. Katherine Padilla & Associates
8. Kritzinger + Rao, Inc.

From February 22, 2017 through March 9, 2017, the PET conducted its independent evaluation of the proposals received. The PET determined that two firms were outside the competitive range and were not included for further consideration. Reasons for the exclusion of the two firms include, but are not limited to, not understanding the scope of work and the intent of the project, not addressing all statement of work requirements, and not having enough experience leading TOD implementation plans.

The remaining six proposers were determined to be within the competitive range and are listed below in alphabetical order:

1. AIM Consulting Services
2. BAE Urban Economics, Inc.
3. City Design Studio LLC
4. Gwynne Pugh Urban Studio, Inc.
5. John Kaliski Architects
6. Kritzinger + Rao, Inc.

On March 9, 2017, the PET conducted interviews of the firms within the competitive range. The firms' proposed project manager, outreach lead, economic development lead, and station planner had the opportunity to present their team's qualifications and respond to the evaluation committee's questions. In general, each team's presentation addressed the requirements of the RFP, their experience with all aspects of the required tasks, specifically the outreach, economic development, and station planning aspects of the project.

The final scoring, after interviews, determined City Design Studio LLC to be the highest rated proposer.

Qualifications Summary of Firms within the Competitive Range:

City Design Studio LLC (City Design Studio)

City Design Studio, based out of Los Angeles, California, proposed a multi-disciplinary team with almost a decade of experience working together on various projects including preparing transit area plans, joint development studies, corridor studies, land use plans, urban design standards and design guidelines for public and private clients across the United States, Asia and Europe. Similar recent projects include the E-Street BRT Corridor Development Strategy Plan for the City of San Bernardino, work on the Crenshaw/LAX Transit Corridor Project Advanced Conceptual Engineering project, the Harrisburg Transit Center TOD Station Area master Plan in Harrisburg, Pennsylvania, and the City Center Mixed-Use Transit District Development Master Plan in Saudi Arabia.

City Design Studio's proposal showcased their experience and a thorough approach to TOD typologies for land use, economic development, and an understanding of the communities that comprise the transit corridor. The subconsultants on the team also have extensive experience in their respective areas of expertise such as station design, streetscape, first/last mile strategies, community engagement, and economic development strategies. City Design Studio's team provided a comprehensive proposal and built upon their understanding of the project in the interview during which their project manager demonstrated a clear understanding of the project requirements and challenges as well as exhibited confidence in the team's abilities to navigate the complexities involved in coordinating with a large number of diverse

stakeholders to produce an actionable plan for each of the WSAB communities that are specific but also fit into the larger context of the entire corridor.

Gwynne Pugh Urban Sutdio, Inc.(GP-US)

GP-US is located in Los Angeles, California, and was founded in 2010 by Gwynne Pugh, an architect with over 20 years of experience. GP-US' similar projects include developing design guidelines for Metro for four new projects in Boyle Heights, and the planning and design for a new approach for the Long Beach Airport. GP-US demonstrated a good understanding of the work required in their proposal; however, during the interview, the proposed project manager did not adequately demonstrate sufficient experience leading large multi-faceted projects that were similar to this project.

John Kaliski Architects (JKA)

JKA has been in business since 2000 and is based out of Santa Monica, California. As a firm that provides urban design architectural services for both the public and private sector, similar past projects include the Crenshaw/LAX Joint Development Opportunity Sites Feasibility Studies, and developing the TOD criteria for the Expo 17th St/Santa Monica station area. JKA's proposal did not provide enough description and background on the relevant work that the economic development consultant had performed and the examples provided of the economic consultant's previous work did not give a good sense of what economic impact studies they had done. Furthermore, at the interview, when given an opportunity to address this matter, it was not clear that the team had a comprehensive understanding of how they would approach developing an economic development strategy but already came prepared with a strategy that seemed to leave little room for flexibility, which would be necessary due to the different stakeholders and communities this strategic plan is meant to serve. In addition, the proposed project manager did not appear to have sufficient experience, the interview panel showed a lack of clarity on the work plan approach and did not make a clear connection between the economic development and TOD station plans.

Kritzinger + Rao, Inc. (K+R)

K+R is an interdisciplinary firm providing architectural, urban design, and planning services for local entities as well as international clients. They have been in business for 13 years and are located in Los Angeles, California. Similar projects include several efforts overseas, particularly in China, where they are supporting transit driven urban renewal as a result of recent transit infrastructure investment made by the local government. K+R's proposal for this project did not adequately demonstrate their experience. The team was given an opportunity to address this issue during the interview where they were able to expand on their experience. However, the team's outreach consultant did not answer the PET's questions satisfactorily and seemed to lack an understanding of the community issues and

how they would impact the implementation of the strategic plan. Because the feedback gathered by the outreach consultant will inform the other aspects of the strategies that will comprise the plan, it is imperative that the outreach consultant understand the communities, engage them effectively and provide meaningful input to the other consultants. From the interview responses provided by the consultant, it was not evident that they understood the area and the outreach needs of the project.

BAE Urban Economics, Inc. (BAE)

BAE was founded in 1986 in San Francisco, California, and provides services such as planning for transit-supportive development, economic development, and strategic investments. Similar projects by BAE include the Los Angeles Transit Neighborhood Plans and Market Studies, the West Carson TOD Specific Plan, and the Lynwood Transit Area Strategic Plan. BAE's proposal demonstrated a good understanding of TOD best practices and, while they did exhibit relevant experience with market analyses, this project goes beyond analysis and into preparing economic development strategies and this experience was not highlighted. The team also did not take advantage of the opportunity during the interview to link together their planning and economic development experience.

AIM Consulting Services (AIMCS)

AIMCS, which began doing business in 2006, is a stakeholder involvement, civil engineering, construction management and project management services firm based in El Monte, California. AIMCS' proposed project manager did not appear to have worked on projects of similar scale and complexity. Also, the proposal lacked sufficient details regarding key issues such as the economic development strategy, workforce development, and gentrification/displacement.

Following is a summary of the PET evaluation scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	City Design Studio LLC				
3	Experience and Capabilities of Firms on the Team	79.60	25.00%	19.90	
4	Personnel Qualifications, Availability, and Technical Capabilities	74.80	25.00%	18.70	
5	Understanding of Work and Appropriateness of Approach for Implementation	72.17	30.00%	21.65	
6	Price	84.07	20.00%	16.81	
7	Total		100.00%	77.06	1
8	Gwynne Pugh Urban Studio, LLC				
9	Experience and Capabilities of Firms on the Team	71.60	25.00%	17.90	
10	Personnel Qualifications, Availability, and Technical Capabilities	70.00	25.00%	17.50	
11	Understanding of Work and Appropriateness of Approach for Implementation	73.67	30.00%	22.10	
12	Price	83.37	20.00%	16.67	
13	Total		100.00%	74.17	2
14	John Kaliski Architects				
15	Experience and Capabilities of Firms on the Team	69.20	25.00%	17.30	
16	Personnel Qualifications, Availability, and Technical Capabilities	64.40	25.00%	16.10	
17	Understanding of Work and Appropriateness of Approach for Implementation	68.00	30.00%	20.40	
18	Price	100.00	20.00%	20.00	
19	Total		100.00%	73.80	3
20	Kritzinger + Rao, Inc.				
21	Experience and Capabilities of Firms on the Team	66.40	25.00%	16.60	
22	Personnel Qualifications, Availability, and Technical Capabilities	67.20	25.00%	16.80	
23	Understanding of Work and Appropriateness of Approach for Implementation	70.00	30.00%	21.00	
24	Price	92.15	20.00%	18.43	
25	Total		100.00%	72.83	4

26	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
27	BAE Urban Economics, Inc.				
28	Experience and Capabilities of Firms on the Team	78.00	25.00%	19.50	
29	Personnel Qualifications, Availability, and Technical Capabilities	68.00	25.00%	17.00	
30	Understanding of Work and Appropriateness of Approach for Implementation	73.67	30.00%	22.10	
31	Price	67.69	20.00%	13.54	
32	Total		100.00%	72.14	5
33	AIM Consulting Services				
34	Experience and Capabilities of Firms on the Team	56.80	25.00%	14.20	
35	Personnel Qualifications, Availability, and Technical Capabilities	56.60	25.00%	14.15	
36	Understanding of Work and Appropriateness of Approach for Implementation	62.33	30.00%	18.70	
37	Price	79.08	20.00%	15.82	
38	Total		100.00%	62.87	6

C. Cost Analysis

The recommended price has been determined to be fair and reasonable based upon Metro's Management Audit Services Department's (MAS) findings, an independent cost estimate (ICE), a technical analysis, a cost analysis, fact finding, and negotiations.

The negotiated amount is lower than the ICE because it includes lower hourly rates and overhead. The change in the proposed amount and the negotiated amount was a result of scope of work and level of effort clarifications during negotiations. In the process of these discussions, Metro requested that City Design Studio increase participation in certain meetings, provide more support at non-Metro sponsored community events along the corridor from time to time, and increase the amount of mapping to be done for this plan.

	Proposer Name	Proposal Amount	Metro ICE	Negotiated or NTE amount
1.	City Design Studio LLC	\$1,599,940	\$2,063,608	\$1,632,788
2.	Gwynne Pugh Urban Studio, Inc.	\$1,613,459		
3.	John Kaliski Architects	\$1,345,105		
4.	Kritzinger + Rao, Inc.	\$1,459,704		
5.	BAE Urban Economics, Inc.	\$1,987,074		
6.	AIM Consulting Services	\$1,700,927		

D. Background on Recommended Contractor

City Design Studio LLC is a planning, urban design, and architecture firm based out of Los Angeles, California, that was founded in 2010. The proposed team consists of City Design Studio LLC and three subconsultants (one Metro certified SBE, and two non-SBE firms). As a Metro certified SBE, City Design Studio LLC will be performing the majority of the work, and in an effort to provide maximum opportunity to other small businesses has further contracted with one other SBE. Overall, City Design Studio LLC has compiled an experienced team of professionals that is well suited to take on the challenging task of weaving together a unified strategic implementation plan for the diverse communities that comprise the West Santa Ana Transit Corridor.

DEOD SUMMARY

**WEST SANTA ANA BRANCH TRANSIT CORRIDOR TRANSIT ORIENTED
DEVELOPMENT STRATEGIC IMPLEMENTATION PLAN/
PS36724000**

A. Small Business Participation

Pursuant to Metro's Board-approved policy, competitive acquisitions with three or more Small Business Enterprise (SBE) certified firms within the specified North American Industry Classification System (NAICS) as identified for the project scope shall constitute a Small Business Set-Aside procurement. Accordingly, the Contract Administrator advanced the solicitation, including posting the solicitation on Metro's website, advertising, and notifying certified small businesses as identified by NAICS code(s) that this solicitation was open to **SBE Certified Small Businesses Only**.

City Design Studio, LLC, an SBE Prime, is performing 61.30% of the work with its own workforce. City Design Studio, LLC listed one SBE subcontractor who is performing 13.96% of the work and two non-SBE subcontractors on this project.

SMALL BUSINESS SET-ASIDE

	SBE Prime Contractor	SBE % Committed
1.	City Design Studio, LLC (Prime)	61.30%
2.	Arellano Associates (Subcontractor)	13.96%
	Total Commitment:	75.26%

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this Contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.

West Santa Ana Branch Transit Corridor Project Definition Map





Board Report

File #: 2017-0147, File Type: Agreement

Agenda Number: 35.

EXECUTIVE MANAGEMENT COMMITTEE JUNE 15, 2017

SUBJECT: LEASE OF METRO PROPERTY FOR CROSSROADS SCHOOL FOR ARTS & SCIENCES

ACTION: AUTHORIZE EXECUTION OF SEVEN (7)-YEAR LONG-TERM LEASE

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to execute a seven (7)-year lease agreement ("Lease Agreement") with The Crossroads School for Arts & Sciences, ("Crossroads") to continue leasing Metro-owned property located adjacent to the Expo Light Rail Line, near 17th Street and Colorado Avenue, in Santa Monica ("Premises"). Anticipated total rent income over the 7-year lease term is \$1,974,000.

ISSUE

Crossroads is directly adjacent to the Expo Light Rail Transit ("Expo LRT") between 17th and 18th Streets, in Santa Monica. Crossroads has been a tenant of Metro since 1999, with an existing month-to-month lease covering an area of approximately 34,549 square feet for supplemental parking and a non-exclusive driveway for ingress/egress to 17th Street. The driveway is also used by Clear Channel for access to its signboard located on said driveway.

Now that the Expo LRT and bike path are completed, Crossroads has requested a term longer than its existing month-to-month term.

Since there are no additional Metro projects anticipated for this site and no impacts to the Crossroads lease area in the foreseeable future, staff recommends the approval of the requested 7-year term.

DISCUSSION

The Exposition Right-of-Way that was acquired from Southern Pacific Transportation Company in 1991 terminated at 17th Street in Santa Monica, adjacent to Crossroads. Most of the leases along the Expo Line were subsequently terminated for the Expo LRT. The Crossroads lease was not impacted by the Expo LRT construction and therefore termination was not required, except for a small reduction of 1,913 square feet from the lease area for the bike path.

DETERMINATION OF SAFETY IMPACT

This project will not have any impact on safety. The Lease Agreement requires Crossroads to maintain fencing of the lease area, which separates it from the adjacent Expo bike path. The bike path is further separated with a wall from the Expo LRT guideway.

FINANCIAL IMPACT

The Lease Agreement has been negotiated to fair market rent based on an internal Metro appraisal. Under the existing month-to-month agreement, rent is \$17,000 per month or \$204,000 per year. The new rent will be \$22,000 per month totaling \$264,000 for the first year. Thereafter, rent will escalate by two percent per year equating to \$500.00 per month net increase through the life of the agreement. By year seven, the rent will be \$25,000 per month for an annual rent of \$300,000.

Impact to Budget

Adoption of the recommended action will have no negative impact to the Fiscal Year 2017 budget for bus or rail operations. Revenue from the lease will go to the General Fund.

ALTERNATIVES CONSIDERED

The Board may choose to not approve the 7-year term of the Lease Agreement, but continue the existing month-to-month term. This alternative is not recommended because without a secure lease, Crossroads may terminate the lease at any time; and if the property is not leased, then Metro will sustain costs and responsibilities for the vacant parcel, including maintenance, security, and liabilities. This lease is expected to produce a minimum of \$264,000 in the first year of the agreement.

NEXT STEPS

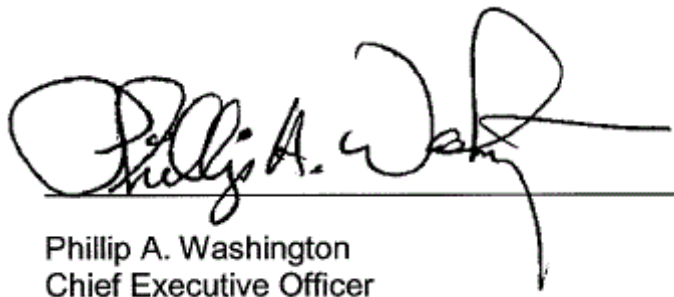
The final terms of the lease will be negotiated and the lease executed with Crossroads, subject to County Counsel and Risk Management review. Crossroads has previously installed paving and fencing, and is expected to install additional improvements. The 7-year lease can begin immediately.

ATTACHMENTS

Attachment A - Summary of Key Lease Terms
Attachment B - Site Drawing of Leased Premises

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Kenneth E. Pratt, Deputy Executive Officer - Real Estate, (213) 922-6288
Calvin Hollis, Senior Executive Officer, (213) 922-7319

Reviewed by: Therese W. McMillan, Chief Planning Officer, (213) 922-7077



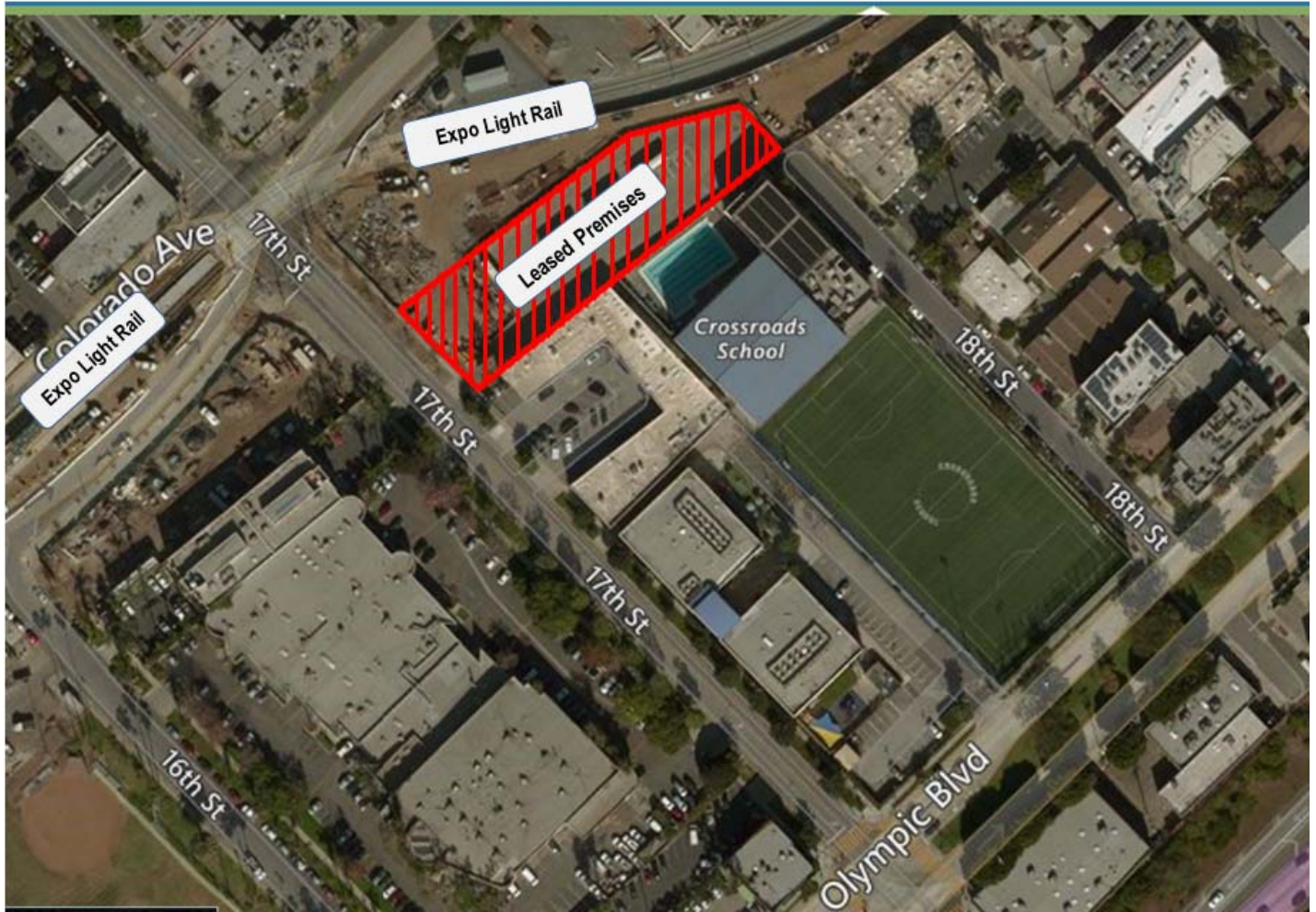
Phillip A. Washington
Chief Executive Officer

SUMMARY OF LEASE AGREEMENT KEY TERMS
THE CROSSROADS SCHOOL FOR ARTS & SCIENCES

Premises	The Premises consists of <u>34,180 square feet</u> with fencing and paving installed by Crossroads.
Term	Lease Agreement is <u>seven (7) years</u> commencing on the first day of the month following Metro Board approval.
Rent	Crossroads will pay Metro Two Hundred Sixty Four Thousand Dollars (<u>\$264,000</u>) for the first year, with annual escalations of \$6,000 (\$500/month) for each consecutive year. Total revenue over the seven (7) year lease term will be \$1,974,000.
Termination Clause	Terminable with <u>six (6) months' written notice</u> if required for Metro's transportation-related or public project purposes only.

SITE DRAWING OF LEASED PREMISES

THE CROSSROADS SCHOOL FOR ARTS & SCIENCES





LEASE OF METRO PROPERTY

FOR CROSSROADS SCHOOL FOR ARTS & SCIENCES



Metro

LOCATION OF LEASE SITE



Metro

SUMMARY OF LEASE TERMS

Premises	The Premises consists of <u>34,549 square feet</u> with fencing and paving installed by Crossroads.
Term	Lease Agreement is <u>seven (7) years</u> commencing on the first day of the month following Metro Board approval.
Rent	Crossroads will pay Metro Two Hundred Sixty Four Thousand Dollars (<u>\$264,000</u>) for the first year, with annual escalations of \$6,000 (\$500/month) for each consecutive year . Total revenue over the seven (7) year lease term will be \$1,974,000 .
Termination Clause	Terminable with <u>six (6) months' written notice</u> if required for Metro's transportation-related or public project purposes only.

LOCATION OF LEASE SITE



Metro

Photos from Expo bike way at 18th Street



Looking southwest from Expo bike path towards Metro R/W currently leased to Crossroads School for parking.



Looking south from Expo bike path towards gate at 18th Street. CSM has plans to open this gate for pedestrian traffic only. Opening this gate to the public is causing Crossroads to make additional improvements along the east end of their lease area.



Thank you



Metro



Metro

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Board Report

File #: 2017-0280, File Type: Policy

Agenda Number: 38.

4th REVISION
PLANNING AND PROGRAMMING COMMITTEE
JUNE 14, 2017
EXECUTIVE MANAGEMENT COMMITTEE
JUNE 15, 2017

SUBJECT: MEASURE M MASTER GUIDELINES

ACTION: ADOPT MEASURE M MASTER GUIDELINES

RECOMMENDATION

CONSIDER:

- A. RECEIVE AND FILE report from the Policy Advisory Council (PAC) on the Draft Measure M Master Guidelines (Attachment A);
- B. ADOPT the Measure M Master Guidelines; and
- C. AUTHORIZE the Chief Executive Officer to enter into Memorandums of Understanding (MOUs) and Assurances and Understandings with Included and Eligible Municipal Operators, Metrolink, Access Services and Los Angeles County jurisdictions for Measure M funding allocations and distribution, consistent with applicable Measure M Guideline provisions.

Amendment by Solis to remove the following text under “3% Local Contribution to Major Transit Projects” (page 4, bullet 4 of the report):

“...this may include assignment of this obligation to the Supervisorial District in which the project is located.”

ISSUE

The Measure M Ordinance requires guidelines to be developed. On March 23, 2017, the Metro Board of Directors approved the release of the draft Measure M Master Guidelines for public review for a period of 60 days during April and May, concluding May 26, 2017. The revised Measure M Master Guidelines (Attachment B) are presented for adoption in anticipation of the initiation of the Measure M sales tax collection on July 1, 2017. Adoption of the Measure M Guidelines will enable recipients (i.e. Included and Eligible municipal operators, Metro, Metrolink, Access Services, the 88 cities and Los Angeles County) of the sales tax revenues to move forward with expenditure of funds to support planning and development of their programs.

BACKGROUND

At the December 1, 2016 Board Meeting, Chief Executive Officer Phillip A. Washington presented an overview on development of the Measure M Ordinance Guidelines, where he indicated that draft Master Guidelines would be developed internally by Metro staff, for subsequent review and comment by the public, with a target date for Board adoption of final Measure M Guidelines at the June 2017 Board meeting, in advance of the initiation of the additional sales tax revenue collection on July 1, 2017.

To support the public review of the draft Guidelines, the CEO also announced the formation of the Metro Policy Advisory Council (PAC), comprised of 27 members representing three major areas: Consumers, Providers, and Jurisdictions. Metro has held 3 meetings with the PAC and PAC leadership. The PAC has submitted a report (Attachment A) to the Board summarizing their views on the draft Guidelines.

DISCUSSION

Responsible and accountable administration and oversight of Measure M is essential to respect the trust of LA County taxpayers, and provide the necessary framework to support the requirements established in the Ordinance for the Independent Measure M Taxpayer Oversight Committee. In response, staff has prepared a Master Guidance document to provide direction for all elements of Measure M. Primary elements include: Administration and Oversight; Audits; Assessments and Amendments; Cashflow; Transit Operations; Metro Rail; Regional Rail; ADA Paratransit/Metro Discounts for Seniors and Students; Multi-year Subregional Programs; Active Transportation; Local Return; and State of Good Repair.

A. OUTREACH PROCESS

All comments received by the public were submitted to Metro through a web portal located at ThePlan.Metro.net or via email to ThePlan@Metro.net (the Portal). All comments received were documented as an official record. Staff attended more than 20 public meetings with key stakeholders to provide additional information, and received more than 60 submissions, encompassing over 300 comments on various topics.

This outreach and public comment coordination is distinct from, and complementary to, the outreach facilitated through the newly implemented PAC. The PAC had its first meeting on April 5, 2017, which started its review and outreach process. On May 2, 2017, the PAC had its second meeting, and as a result, the PAC officers presented to the Metro Board on May 26, 2017 initial comments reflecting the three represented constituencies of transportation consumers, transportation providers, and jurisdictions. That report grouped comments and related findings into five major subject areas:

- Local Return Distribution
- ADA/Paratransit and Senior/Student Discounts;
- 3% Local Contribution for Transit Projects;

- Project Readiness; and
- Multi-year Subregional Programs Administration.

These subjects are also the primary topic areas for the majority of comments received through the Portal.

The PAC held its third meeting on June 6, 2017, and presents its subsequent comments and findings directly to the Board as a Receive and File report (included as Attachment A).

B. COMMENTS AND RESPONSES

Staff summarized the written comments submitted to Metro into primary topics that generally align with the PAC categories from its May report. The comments are also indexed by source. The summary table, which includes policy considerations and resulting decisions, is included as Attachment C.

As a result of comments received, grammatical corrections and technical clarifications have been made throughout the document. More substantive comments, as noted above, are aligned with five major topics of Local Return, ADA Paratransit/Senior and Student Discounts, 3% Local Contribution, Project Readiness, and Multi-year Subregional Programs. Staff responses to those themed comments are also summarized in Attachment C; and are flagged as red line changes in the revised Guidelines (Attachment B). High profile responses and revisions in these areas have been selected for further discussion below, for the Board's particular attention.

Local Return Distribution

The draft Guidelines approved for release at the March Board meeting included a staff recommendation of a Local Return distribution with a minimum allocation of \$100,000 per jurisdiction. At the same meeting, Directors Garcia, Hahn, and Garcetti introduced a motion directing staff to evaluate an array of distribution alternatives with the intent of providing an increased level of Local Return for smaller cities. The Board received the evaluation report at its May 26th meeting and the PAC reported that its consensus position was that no minimum floor be established.

Considering the totality of public comments received on this topic since the release of the draft Guidelines, including comments from local agencies, staff is recommending that Measure M Local Return distribution to cities and the county be consistent with the other sales tax measures, based on population and in compliance with the Measure M Ordinance and be implemented as follows:

- No minimum allocations to be established by Metro;
- Reallocation of Local Return distributions can be subsequently pursued at the subregional level among the cities and county areas within subregional boundaries, to support smaller cities, at the discretion of those parties;
- Measure M Multi-year Subregional funds can be used to supplement Local Return allocations to support smaller cities subject to the eligibility, process, and availability of funds as described in the Multi-year Subregional Measure M guidelines.

ADA Paratransit for the Disabled/Metro Discounts for Seniors and Students

Within this fund category, clarification was requested on the eligible uses for this fund. In May, the Board adopted the New Low Income Program, which combined current fare subsidy programs to create an enhanced program that serves low-income riders. The program creatively leverages the limited Measure M 2% funds to help more riders. This program provides low income seniors and students deep discounts (70%-88%) on their monthly passes, showing their Measure M dollars at work.

In addition, regional Travel Training/Mobility management programs and/or similar programs/technology improvements geared towards bridging the mobility gap for seniors and people with disability will be eligible uses for these funds.

3% Local Contribution to Major Transit Projects

Within this fund category, clarification was requested as to what could constitute the local contribution (i.e. in-kind contributions and betterments). Staff has provided clarity regarding the Ordinance provision, which is specific as to the timing of the calculation for the 3% local contribution.

- 3% contributions must be calculated on a project scope determined at a 30% design level.
- “In kind” contributions are allowed from the local agency provided that they are included as eligible expenses in the project scope and cost at the time 30% of the final design is completed.
- Once individual calculations for all affected jurisdictions are completed based on the Ordinance’s stated distribution formula, the aggregate of those contributions can be redistributed among the affected agencies, at their discretion. This is consistent with the practice under Measure R.
- Contributions for calculations assigned to the County of Los Angeles are to be determined by the County; ~~this may include assignment of this obligation to the Supervisorial District in which the project is located.~~
- Clarity is also provided that the 3% provision only applies to rail projects.

As well, commentary sought clarity on the definition of betterments, and their application under the 3% policy. The definition as presented in the Draft Guidelines has been slightly revised, to be consistent with existing policy adopted by the Metro Board on Supplemental Modifications to Transit Projects (October 2013). A “betterment” is defined “as an upgrade of an existing city or utility’s facility or the property of a Third Party, be it a public or private entity, that will upgrade the service capacity, capability, appearance, efficiency or function of such a facility or property of a third party.” Once the 30% design project scope and cost have been determined as the basis of the 3% contribution calculation, subsequent betterments cannot be included in that calculation, nor counted toward a jurisdiction’s eligible contribution. However, they may be included in the project scope if carried at the jurisdiction’s expense.

Multi-year Subregional Programs

Within the Multi-year Subregional Program (MSP) category, several key comment areas were noted and addressed, as listed in Attachment C. Two of major note are:

- **MSP funds should have an equal funding priority to other capital items.**
 - Consistent with the Ordinance's assignment of funding purposes to capital subfund accounts, the availability of funds for MSP investment is prioritized equal to other Highway and Transit Capital subfunds. Actual disbursements of capital funding irrespective of subfund is subject to Cash Flow policies established in the Guidelines.
 - NOTE: Capital subfunds are sourced after the Transit Operating Maintenance Subfund, and the Local Return Subfund. By Ordinance, revenues to these two subfunds are directly proportional to the percentage of net sales tax collected from Measure M. Therefore, they are "taken off the top" of Measure M sales tax revenue generated in a year. The balance of sales tax revenue is then assigned to the Capital subfunds. At any point in time, Capital subfunds amounts, including those for MSP, can vary based on proceeds from bonds issued to manage actual capital resource needs. Any issuance of debt for Measure M purposes, however, remains at the exclusive discretion and authority of Metro, and will be conducted consistent with Board debt policy.
- **MSP projects should derive from a specific subregional planning process.**

In response to comments received by the PAC and local agencies, a new process has been inserted into the Guidelines to coordinate projects within the framework of five-year plans. Plans will be developed for each MSP listed in the Expenditure Plan to ensure accountable and responsive subregional project identification, selection and delivery. The plans will:

 - Build on prior Mobility Matrix projects as a foundation; with provisions to reconsider the relevance and performance of existing Matrix projects, and the addition of new ones;
 - Include meaningful public outreach, which is essential to the success of Multi-year Subregional program development; Metro will develop baseline parameters for effective community engagement;
 - Be adopted by the Metro Board, with provisions for periodic updates/modifications; and
 - Up to 0.5% of MSP funding per year, per individual MSP program, is eligible for program development by the subregion.

Project Readiness

There were many comments regarding clarification of project readiness and eligibility of funds at various phases of project development. This definition is specific to each MSP program type; that is, project readiness thresholds will be designated for capital project phases leading up to and including construction, separately designated for specific programs (Highway, Transit, Active Transportation, etc.). Additional clarifications will be made as part of the administration procedures to be developed according to the schedule in Attachment D.

Other Topics

Regional Rail

Establishing a consensus for key performance metrics was the focus for this fund category. The metrics developed will establish the evaluation basis allowing the Regional Rail allocation to increase

from 1% to 2% in FY 2039.

The draft guidelines have been revised to reflect a change from a specific attainment of criteria to an evaluative judgment that the Board would consider in its determination of whether to increase the Regional Rail allocation from 1% to 2%. Metro acknowledges the significant time frame over which the performance of the system will be judged and the related inherent uncertainty. However, specifically because of that uncertainty, Metro's Board retains the authority to evaluate the performance of any commuter rail system in place, and to determine the most appropriate investment strategy that will serve the overall county mobility objectives.

Countywide BRT

The draft guidelines have been revised to expand the eligibility to municipal operators.

DETERMINATION OF SAFETY IMPACT

The proposed approval will not have any adverse safety impacts on employees and patrons.

FINANCIAL IMPACT

Adoption of the Guidelines will provide Metro with an administrative framework for Measure M. This is required for the agency to proceed with Measure M funding distributions.

Impact to Budget

Approving the staff recommendations will have no impact on the FY 2017 Budget. This is required for the agency to proceed with Measure M subfund distributions, and delay in approval of the Guidelines could have an impact on availability of funds for the FY 2018 Budget, as approved by the Metro Board in May 2017.

ALTERNATIVES CONSIDERED

The Draft Guidelines released for public review in March 2017 could remain as is or additional outreach could be conducted. This is not recommended as substantial public outreach has occurred which generated substantive public comments that have been considered and incorporated into the recommended Guidelines.

If the Guidelines are not approved, or approval is delayed, FY 18 Measure M funding for operational purposes eligible under Transit Operations, Metro Rail, Metro State of Good Repair, ADA Paratransit for the disabled/Metro Discounts for Seniors and Disabled, Regional Rail and/or Local Return programs will be withheld from Metro, Included and Eligible Municipal Operators, Metrolink, and the 89 local jurisdictions that are eligible recipients of those resources.

NEXT STEPS

Measure M sales tax collection begins on July 1, 2017.

Attendant Technical/Administrative Procedures. As revised, the Master Guidelines embody a

comprehensive, complete framework to be adopted and enforced by the Board. For some elements, administrative details are required to assist in actual implementation of the Guidelines, and will be addressed as procedures are developed. These elements and the timelines are noted in Attachment D. Appropriate stakeholder input with the PAC will be sought and considered in the development of these procedures, with final approval by the CEO. The CEO may bring any specific issues regarding these procedures to the Board for information or action, if circumstances warrant.

Responses to Policy Advisory Council and Committee Testimony

As reported orally last week at the Planning and Executive Management Committee meetings, staff has prepared responses to the final report from the Policy Advisory Council (PAC), and other testimony presented at that time. All written letters have been submitted into the public comment portal established for the guidelines, as official documentation. Per its advisory capacity, the PAC submittal has been attached as a formal record to the Board as Attachment A.

Staff's responses are presented as a compendium in Attachment E. They fall into three main categories:

- A) **Concurrence.** Actual changes to the language in the Draft Guidelines. These reflect factual corrections, as well as clarifications or modifications that are critical, in our view, to the overall framework that the Measure M guidelines establish. These were fairly limited, and are flagged "Metro concurs."
- B) **Administrative Procedures.** Referrals to the Measure M Guideline Administrative Procedures. Many of the comments were important, and point directly to technical or administrative procedures that will aid in the actual implementation of the guidelines, as compared to the overall framework. In many cases, this will involve applications to specific projects, or steps that must be crafted in more detail than is appropriate for the Guidelines themselves. The Policy Advisory Council, complemented with additional stakeholders as necessary, will play an active role in these procedures, as listed in Attachment D. As noted, comments and responses in Attachment E will be carried over into these administrative procedures, which will begin this summer and fall.
- C) **Future Policy Deliberations**
In some cases, observations offered demand a policy level discussion and decision beyond the Guidelines per se. Fundamentally, the Guidelines are intended to direct Measure M investments consistent with the language of the Ordinance, but also consistent with existing Metro Board policy. To the extent that Board policies could or would change or be augmented in the future, Measure M implementation would need to adjust accordingly.

It is anticipated that development and adoption of the new , comprehensive Long Range Transportation Plan (LRTP) will affect not only Measure M, but many other Metro investment programs. As a result the LRTP is the logical starting point to take up Policy challenges forwarded as part of the review and response to Measure M including:

- further considerations of the intersection between affordable housing and transit
- the definition and role of “equity” in the policy development, project identification, and investment priorities
- the role of performance measurement and metrics in determining not only the success of Measure M, but the performance of the transportation system of which M is a single (albeit major) part.

In some instances, targeted policies may be pursued alongside the LRTP effort, for expediency, scale, or other reasons, though the overall LRTP effort itself remains a central point of coordination and consistency.

With that in mind, staff offers Attachment B as the Final Measure M Guidelines, with the further commitments noted in Attachment E.

ATTACHMENTS

Attachment A - Recommendations from Policy Advisory Council

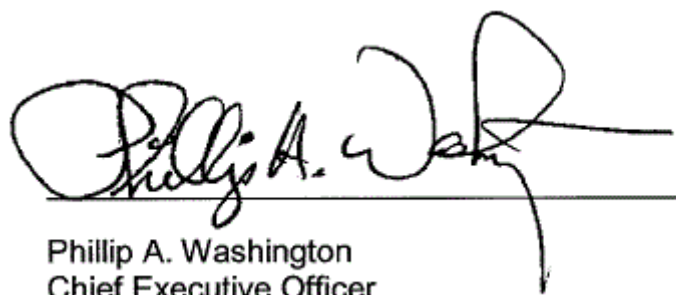
Attachment B - Measure M Master Guidelines

Attachment C - Public Comments Summary

Attachment D - Timeline for Completion of Administrative Processes

Attachment E - Metro Responses to Policy Advisory Council Comments and to Public Speaker Comments

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Phillip A. Washington
Chief Executive Officer

June 13, 2017

Honorable John Fasana
Chair, Board of Directors
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012

RE: Project Advisory Council Comments on Revised Measure M Guidelines

Dear Chair Fasana:

On behalf of the Policy Advisory Council (PAC), we are pleased to submit this letter regarding the revised Measure M Guidelines (Guidelines). We would like to commend Metro staff for convening the PAC to gather substantive comments on Metro policies from across a broad spectrum of diverse stakeholders. We appreciate the strong staff support that Metro has provided to the PAC over the last several weeks of intensive review and discussion.

On May 16, 2017, we presented to the Metro Board a summary of the comments submitted by PAC members grouped into five general categories of issues. We identified the key areas of consensus and noted other areas where additional clarification or discussion was necessary to arrive at consensus. In the main, Metro staff has revised the draft Guidelines to address most of the major consensus issues identified by the PAC. In some cases, Metro has outlined the process and timing for resolving issues through the development of further administrative procedures. Metro staff has worked hard to answer questions, consider solutions and collaboratively work with the PAC to resolve concerns.

Following our last PAC meeting on June 6, members of the PAC submitted close to 35 additional comments on the revised Guidelines by the June 9 deadline we set for ourselves. This letter highlights concerns that remain unresolved regarding the major areas of consensus that we listed in our May 16 summary. We also note comments about points that were important to some stakeholders but needed additional clarification or discussion. Finally, we have attached an appendix that contains all the comments submitted by PAC members by the June 9 deadline to give the Metro Board the benefit of the full range of comments provided by individual PAC members.

Remaining Concerns About Consensus Issues

- Local Return, Transit Oriented Communities (TOCs) – On page 85, Metro added a reference to “Metro’s Transit Oriented Communities Program.” No such program exists. Instead, the language should state “as described in Metro’s Transit Oriented Communities Policy. In the absence of official Policy, jurisdictions should refer to the TOC Demonstration Program.” In addition, language should be added to clarify that all TOC activities described by the TOC policy (or Demonstration Program) are included in the definition of transportation purposes.
- Program Eligibility, Bus Rapid Transit – The Guidelines should be changed to explicitly state that municipal operators are eligible for BRT funds.

- Performance Metrics – The Guidelines should give clear direction to sub-regional entities to develop performance metrics as part of the Multi-Year Subregional Programs. Performance metrics are critical to being able to communicate back to voters whether these investments have been successful.

Points Raised By Some Stakeholders But Needing Additional Process /Discussion

- Potential expansion of eligibility for “Green Streets” beyond just stormwater improvements – On pages 42, and 78, “green infrastructure” or “green streets” should not be limited to only describing stormwater management benefits derived from natural processes. The definition should be expanded to include urban heat island mitigation, cooling benefits, shade and highly-reflective/less-heat-radiating materials. Incorporating cooling into transportation infrastructure delivers health benefits, and makes active transportation and waiting for the bus more viable options.
- Eligibility for 2% Highway Connectivity Programs – As criteria are developed for this program during the Administrative updates to the guidelines, the program guidelines should clarify the allocation between “earmarked” projects and discretionary projects. A preference for a more explicit tie to existing Goods Movement initiatives was suggested.
- Procurement goals – The Guidelines should set forth specific minimum procurement goals for Small Business Enterprises, Disadvantaged Business Enterprises and Disabled Veteran Business Enterprises.

A summary of comments provided by PAC members to the Draft Final Guidelines is provided in an Attachment.

In closing, the members of the PAC have worked diligently over the last two months to surface major issues, arrive at consensus where possible and highlight areas where additional discussion is needed to resolve questions. We appreciate the opportunity to work with Metro staff in a collegial, collaborative forum to bring greater mobility and a higher quality of life to our region. We look forward to continuing our efforts during the development of further administrative procedures and the preparation of other important policy documents.

Very truly yours,

Roderick Diaz
Cecilia V. Estolano
Jessica Meaney

Summary of Comments on the Metro Revision to the Measure M Guidelines (5 June 2017)

MINOR concern -- a concern related to specific aspects of the Revised Measure M Guidelines and the commenter feels can be addressed through either:
(a) Metro's planned revisions according to their Administrative Development Timeline (Attachment D),

(b) Clarifications/refinements on how Metro will interpret or apply the guidelines as currently written, or

(c) Minor revisions that can wait for future PAC discussion or a future Metro process to revise the Guidelines at a later date.

MAJOR concern -- a concern significant enough to cause apprehension by the commenter about Metro adopting a portion of the Guidelines as currently written, either because an original comment was not addressed or because the revision created a new significant issue.

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
1	Kerry Cartwright	Port of Los Angeles (City of LA Harbor Dept.	Provider	<p>2% System Connectivity Projects (Highway Construction Subfund) (p. 43 of draft guidelines) The projected amount of annual funding for the "Highway – System Connectivity 2%" category is lacking in the program info and guidelines. The approved measure also listed "earmarked" projects that are within this subfund, thus diminishing the total available amount for a competitive process. Thus, the "Highway – System Connectivity 2%" program should be limited to solely goods movement projects, justified for the following reasons:</p> <ul style="list-style-type: none"> • Draft guidelines emphasizes goods movement • Significant program earmarks for all other modes/needs, except ports/goods movement • Local return formula funds not accessible by the Ports of LA/LB on behalf of goods movement sector • Alameda Corridor East has Measure M (and R) earmarked projects • Difficulty obtaining formula subregional funds (via Gateway COG, South Bay COG, etc.) • Limited amount available in "2% Highway" program. <p>The development of the "Highway – System Connectivity 2%" program guidelines should be done collaboratively, and solely with the goods movement sector and pertinent public agencies and private sector entities. This should be done concurrently with the development of METRO's Goods Movement Plan. The goods movement sector has collaborated for many years at the federal, State, and regional level, and has already identified needs and projects. Hence, a minimal amount of time needs to be spent on this plan development. Additionally, a few to several critical, high priority projects should be earmarked initially, as done with numerous other Measure M projects as part of the approved ordinance. The Ports, SCAG, and METRO have collaborated for many years on such</p>	

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
				priority projects, and identified them via numerous studies. Such projects include then Ports of Los Angeles/Long Beach rail projects that reduce truck trips throughout the region, as a few interchange projects on I-110 and SR 47.	
2	Jess Romo	Long Beach Airport	Provider	N/A	
3	KeAndra Dodds	Enterprise Community Partners	Consumer		Local Return: TOC Investments (Revised Guidelines Pg. 85) - While I appreciate the attempt by Metro staff to respond to our comments, the changes did provide more clarity. The new reference to Metro's Transit Oriented Communities Program is not helpful because there is no program with that title. There is a TOC Demonstration Program, TOC Planning Grants, Joint Development Program, the MATCH program, and affordable housing policies, all of which relate to TOCs, but none which clearly delineate specific activities or investments that will be considered TOC investments, and thus eligible for local return. We recognize the need to not be overly prescriptive and to allow for innovation, but there must be clearer guidance on what types of investments are eligible. Given Metro's Board adopted policies and programs, we recommend that eligible investments include those that: 1. Support the development and preservation of affordable housing, as defined in Metro's joint development policy, in TOCs; 2. Support the inclusion of small businesses in mixed use buildings in TOCs; 3. Help remove land use barriers to transit oriented development; 4. Implement best practices and policies for sustainable and transit-supportive land uses across a variety of neighborhood typologies; and 5. Otherwise ensure inclusive and equitable transit oriented communities for those at all income levels.

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
4	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)	Thank you for the timeline, and we'd like to see item XIX be advanced to 6 months consistent with item IX-XII.	
5	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)	Page 7, No. 5 Stated the addition of "Subregional funding reductions". What does this mean? Please clarify.	
6	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)	Regarding Contingency Subfund creations, it's not clear how these can be established if the minimum revenues are not achieved. Will the contingency be funded by % similar to the other subfunds?	
7	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)	Although advancing MSP projects is mentioned, using metro bonding as a tool is not specific to this section.	
8	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)		Now that the TFP has been removed as the funds forecasting methodology, what cash flow determination will be used?
9	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)		The I-5 has been determined to be a local project yet self financing is not an option. This doesn't appear to be feasible. Please clarify the potential options outside of advancing the project via Metro Bonding or outside leveraged funds.
10	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)		In order to ensure that betterments are including by the 30% final design it's imperative that jurisdictions be credited for work done in advance, to be prepared and have the items incorporated into the appropriate documents (EIR, design plan etc.). Retroactive work by the jurisdictions that gets incorporated into the Final 30% design should count as 3%.
11	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)		There has not been any changes to the SC transit projects to provide relief for the 3% contribution, as these projects aren't attributed to our subregion. These projects should be Exempt from 3% local contribution. Additionally, if exemption of 3% is denied, and there are savings on the project, it's not

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
					clear that the savings, if 3% is collected, that it won't go to a different subregion.
12	Seleta Reynolds	Los Angeles Department of Transportation	Jurisdiction (City or COG)	<p>1. The guidelines are still missing either a) performance metrics for each program or b) a clear direction to sub-regional entities to develop their own. It is important to be able to measure and communicate back to the voters whether or not the investments they agreed to are successful and how we plan to measure success.</p> <p>2. The guidelines must align better with the Office of Planning and Research's direction to incorporate Vehicle Miles Traveled either instead of or in addition to Level of Service as an evaluation methodology for highway projects. The highway program in particular (p. 35) references roadway widening as a tool to improve Level of Service, a notion that has been debunked repeatedly. As cities in Los Angeles County work to comply with OPR's deadline for changing the analysis methodology and mitigations for transportation projects, Metro's guidelines will create confusion and potentially legal uncertainty.</p> <p>3. (At the request of the Mayor's office) All mentions of green infrastructure and green streets (pg. 42 and 78) only refer to stormwater management benefits and leave out important urban heat island (UHI) mitigation / cooling benefits, which really should be addressed in our built streetscape environment, since asphalt is such a large contributor to the UHI effect. Instead, these definitions should be expanded to include shade and highly-reflective / less-heat-radiating materials to at least create the opportunity for investments that could make active transportation and waiting for the bus more appealing.</p>	

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
13	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)		Page 30 under MSP Highway (Construction Activities), the last sentence states "It is expected that local jurisdictions will contribute to total project costs", which isn't mandatory per the Ordinance. Please remove the statement or change the language to "encourage".
14	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)	Regarding HOT Lanes and the Tier Funding, the issue requires further clarification of how the project will pay for them.	
15	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)		Regarding the removal of eligible projects within the Highway MSP specifically Two-Way left turns or right turn lanes, and intersection and street widening. The removal of these options within the guidelines are limiting options to improve safety and traffic flow. Street widenings specifically are capacity enhancements that have a direct nexus to freeway operations. It appears that arterials are being eliminated from eligibility altogether. In many cases safety and traffic improvements are necessary to improve access to freeways. These removals need to be placed back into the guidelines, and need to be eligible uses, as options for congestion relieve need to be maximized and not limited.
16	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)		Add I-5 JPA to Eligible Recipients as part of the 2% System Connectivity Projects (Highway), as other agencies including ACE Authority are eligible.
17	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)	Language needs to be softened, removed or suggested as an example (verses in alignment) regarding City of LA policies for Streetscape Enhancements and Great Streets. It's seems inappropriate for subregions to conform with the City of LA policy.	
18	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)	Regarding the definition of Active Transportation, "rolling modes" should be detailed or more definitive as there are many new mainstream modes such as e-	

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
				bikes, Segway's, skateboards, motorized wheelchairs, scooters, etc. Please expand the definition.	
19	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)	Clarification is still required regarding if MSP's and Major projects assigned to a subregion are eligible for the 2% SC Project (HWY Subfund) competition?	
20	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)		Regarding Visionary Project Seed Funding, the 40% match isn't reasonable. A 20% and/or In-Kind match should be considered.
21	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)		Regarding Subregional Equity Program, the considerations should mirror the funds availability dates accorded to the SFV.
22	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)		Regarding the SEP, the statement regarding funds available "if any" is concerning, and these funds should be bonded against, as the SFV is going to be funded ASAP. The Board added the funds, so the subregions should receive it, verses leaving an "if any" option.
23	Yvette Kirrin	GCCOG	Jurisdiction (City or COG)	2% ADA Paratransit Eligible Recipients should be broadened to be any transportation agency providing ADA services, including local operators, such as dial a rides.	

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
24	Hilary Norton	FAST	Consumer	<p>Page 6 - Project Acceleration, Third Bullet, "Elements that determine eligibility of matching funds from available federal/state discretionary funding sources. Page 22 - Eligible Fund Contributions, End of section paragraph, add language "...amount by the conclusion of thirty percent (30%) of final design, Asset management portfolios, Performance Incentive Grants." Page 37 – Intelligent Transportation Systems, Eligible uses category Add Bullet "Coordinate with Countywide BRT program to optimize on time performance and improved bus speed operations"</p>	<p>Page 10 - Performance Metrics definition. Need clarity on the definition of performance metrics. Does that reflect the December 2015 Performance Metrics for the Mobility Matrix or will these be a new set of Metrics? Will the PAC be advised on how to define them or will that be up to the Metro Board? Does this mean transit and highway programs will have performance on whether or not they are moving more people or are they moving more goods that essential to the consumer driven sales tax receipts which fund our Measure M program? For example, according to LAEDC, 78% of the volume and 64% of the value of the Regions goods move through our streets and highways so should one project be jeopardized over a subjective definition. With this aspect of Performance Metrics, please consider the following definitions as this is consistent that the Mobility Matrix has now been replaced with the Multi-Year Subregional Program (MSP) Project Development process;</p> <ul style="list-style-type: none"> • Projects with the broadest economic benefit that increases sales tax revenue receipts; • That leverage current and future sources of state and federal funding (and must be timely in their request for matching funds); • Based on project readiness; • Projects that optimize opportunities for TOCs/TODs; • Consider communities with the highest need; • Project prioritization should be made in the context that we are expecting an economic downturn and must optimize the revenue that we collect, while being able to most effectively leverage private and public resources in a manner that would expedite major projects to meet or exceed timelines promised to Measure M voters. <p>Page 21 - 3% Local Contribution Need Clarity How</p>

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
					<p>does this definition reflect new stations that intersect existing lines, an example would be the Northern Crenshaw Extension with the Purple Line on Wilshire. Would that be considered a retrofit of an existing or the building of something new? The goal should be to incentivize ridership increases through Multi-modal connectivity so outside of Active Transportation if a local jurisdiction uses and encourages private funding to construct a transit center or Mobility Hub adjacent to a rail station, Does that count towards a city's 3% match?</p> <p>Page 47 – Metro Active Transportation, Reporting requirements, typo? “Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of Measure M system connectivity projects (Highway construction) (replace with Active Transportation) funds are contributing to accomplishing the program and strategic plan objectives.”</p> <p>Page 55 – Countywide BRT, Eligible projects first paragraph, language amended “ ..potential for ridership increases including station amenities, restrooms for health, safety and quality of life, ”</p> <p>Page 57 in Subregional Equity Funds. Need Clarity. A detailed explanation should identify where this fund is located relative to the Measure M pie slice, as we recall back in the June 2016 Board meeting through a motion by Director John Fasana, this Subregional Equity pot was to be incorporated as part of the 2% system connectivity, Is this still true?</p> <p>Page 67 – 20% Transit Operations, Eligible uses category. Last sentence “Metro will develop policies that will define and establish criteria for implementing pilot programs that increases ridership and improves operational reliability” Page 67 – 20% Transit</p>

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
					<p>Operations, Maintenance of effort. Second sentence (add language) In addition to implementing new transit services programs that improve headways and hours of operation, eligible recipients may use Measure M 20% funds...</p> <p>Page 72 – ADA Add Bullet: "C) Community outreach to identify and ensure that performance metrics as outlined per contract for this program fund are adhered to and are followed."</p> <p>Page 74 – State of Good Repair Add Bullet: Station improvements that increase ridership and transit system capacity to handle more riders</p> <p>Page 92 – Local Return, Audit Requirements, First Sentence A financial and compliance audit will be conducted annually as part of Metro's Consolidated Audit Program to verify adherence to the Measure M guidelines and be subject to review by the Independent Taxpayer Oversight Committee.</p> <p>Pages 98 and 99. Appendix A - Potential 3% jurisdictions. There are examples per the Measure M ordinance and Expenditure plan, where the project explicitly does not assume a specific mode or technology of corridor (LRT vs HRT) that has not had a proper vetting through an environmental impact report. The problem with such assumption is that it prejudices the Environmental Review Process and could place Metro in a litigious pickle albeit innocently. Those examples include on the list; East San Fernando Valley Transit Corridor, Sepulveda Pass Corridor, Vermont Corridor, Lincoln Blvd Corridor. All specific technological (LRT or HRT) references should be removed from the list and simply explained "All 3% corridors are all assumed (funding permitted) as rail corridors. Whereas past or currently under environmental review planned definitions, distinction</p>

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					of phasing or branching or logical extensions of existing Metro Rail lines or under constructed corridors to establish a consistency in definition Examples are; West Santa Ana Corridor, Eastside Phase 2 (SR 60 or Washington Blvd), Green Line extension to Torrance or Orange Line Conversion to Rail where there is specific language included in both the expenditure plan and attachment explanation.

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
25	KeAndra Dodds	Enterprise Community Partners	Consumer	While the guidelines reference alignment with "Vision Zero" or equivalent policies, Metro does not have its own Vision Zero policy to guide investments. We recommend investing in the development and adoption of regional Metro Vision Zero guidance (policy, toolkit or framework) simultaneous to developing sub-guidelines for the 2% Active Transportation category. While specific investments and Vision Zero policies will likely be implemented by local jurisdictions rather than Metro, a regional Vision Zero policy would encourage local jurisdictions to adopt their own policy or provide guidance in the absence of such local policy.	
26	KeAndra Dodds	Enterprise Community Partners	Consumer		The final guidelines should anticipate a transportation equity policy in the Long Range Transportation Plan (LRTP) and include mechanisms to advance social equity in the implementation of Measure M programs, such as prioritization and/or set-asides in funding programs. While there were some changes to address this, the revised guidelines still do no include explicit mention of social equity nor the recognition that social equity will be considered in the implementation of Measure M once the LRTP is adopted. It makes the most sense to add it to the administration and oversight section.

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
27	Jacki Bacharach	South Bay Cities Council of Governments	Jurisdiction (City or COG)		<p>Page 7 – At the bottom of Page 7, #5 – Sub-regional funding reductions should come from the sub-region in which the shortfall is happening. It is not clear in the document. Sub-regional funding should be used only with the concurrence of the responsible “sub-regional entities”.</p> <p>Acceleration of projects must not: 1) Reduce the potential funding available for addressing cost containment using the methods listed on page 7; or 2) delay current regional and sub-regional projects due to redirecting funding for acceleration.</p> <p>Page 10 – 1) Sub-regional entities should be consulted before the Metro Board is asked to approve all performance metrics through its 5-year assessment process in consultation with the Measure M Independent Taxpayer Oversight Committee.</p> <p>Particularly with respect to the sub-regional program and project criteria, the sub-regional entities should also be consulted. 2) Requiring approval only during the 5-year assessment may delay project readiness. There should be a process to accelerate approval changes more often than every 5 years.</p> <p>Page 11 – Any change in subregional boundaries should only be made with consensus of all the sub-regional entities affected.</p> <p>Page 12 – In 2nd group of bullets – the new one re: Changes in Technology should also include better service to the customer/consumer. Bottom of page 12 – The guidelines allow the Metro Board to amend the “Schedule of Funds Available” to accelerate an Expenditure Plan Major Project at any time but changes in commitments to current projects will only be evaluated every 10 years. The two policies are in conflict. Funds from a project that is completed with cost savings or a project that is no longer viable should</p>

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
					<p>be available for re-programming in the following fiscal year.</p> <p>Page 16 – 2nd paragraph from the bottom –Metro should request notice from the responsible sub-regional entity which will compile the 5-year MSPs on behalf of the project sponsors. Sponsors should not be allowed to bypass the sub-regional planning process where there is one.</p> <p>Page 17 – MSP borrowing needs to be approved by the sub-regional entity.</p> <p>Page 26 – Metro allowed .5% of the annual cost of the sub-regional programs to be drawn from the MSP.</p> <p>Sub-regional entities and local jurisdictions should be explicitly eligible for these funds.</p> <p>Page 26 – Parameters from the Mobility Matrices should be developed with concurrence of sub-regional entities. In the 2nd sentence referring to the Mobility Matrices, the word ‘using’ should be replaced with the word ‘considering’.</p> <p>Page 30, 31, 33, 34 – Highway Operational Improvement project funding begins with the Project Identification Document rather than program development. To be consistent with Page 29, this guideline should not preclude use of funding from this category to prepare the project development matrix described on page 26.</p> <p>Page 30, 31, 33, 34 – Metro added a provision that is in Measure R SBHP guidelines that requires Intersection or street widening/improvements to be “on a State Conventional Highway or within one mile of a state highway.” This restriction should be eliminated from the Measure M guidelines to allow projects to be implemented in areas like the Palos Verdes Peninsula that are not within 1 mile of a state highway and yet have major arterials.</p>

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
					<p>Page 30, 31, 33, 34 – Signal synchronization and other intelligent transportation system improvements are not included as eligible projects in any of the Highway MSP categories. They should be explicitly included in the respective lists even though they are generally eligible in their own section beginning on page 37.</p> <p>Page 37 – The guidelines do not currently include broadband or fiber-optic projects as eligible expenditures. Inter-city, sub-regional fiber-optic and broadband projects should be included in the ITS section and justified as a TSM strategy.</p> <p>Page 42 – 1st/last mile should acknowledge eliminating travel through travel demand management strategies or projects. These types of projects should be eligible in the ITS section. The Greenway project category should be broadened slow speed electric transportation.</p> <p>Page 44, 55 – BRT Capital improvements – Metro staff told the PAC that municipal operators would be included, but the guidelines do not yet reflect the change. Included and Municipal Operators and Metro should be explicitly eligible as lead agencies for BRT funded projects within a BRT program coordinated by Metro.</p> <p>Page 48 – Allocation Methodology – It is unclear whether Metro taking an additional .5% here for administration from subregional programs over and above what they are already getting off the top. To avoid Metro double dipping, it should be clarified that Metro's administrative costs do not exceed the %05 that taken off the top.</p> <p>Page 53 – Visionary Seed Funding eligibility is still restricted to transit in the revised guidelines. It should be available for other mobility and sustainability ideas beyond transit. The eligible applicants should include</p>

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					<p>transit operators and other entities rather than relegating others to “partners” for visionary seed funding applications that do not include transit operators.</p> <p>Page 79 – Fiber optic installations are limited to “signal-related electrical system and/or fiber-optic in the roadway.” Consistent with the comments on page 37, fiber-optic and broadband programs should be eligible as a transportation demand management projects and should not be limited to installations in the roadway since use of existing utility poles and underground conduits outside the roadway might be more cost-effective.</p> <p>Page 102, 103 – Refocused Taxi Element – Although the guidelines are more inclusive in earlier sections of the document, this section should be expanded to include options to taxi operators such as car sharing and ride sharing providers and autonomous vehicle fleets.</p> <p>Page 103 – Implementation Timeline – On the 4th line, in addition to taxi service, the timeline should include comparable options that exist or may emerge.</p>

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
28	Moises Cisneros	Los Angeles Latino Chamber of Commerce	Consumer		<p>Pulling from the business and small business recommendations, I am concerned that our recommended Business Interruption Fund for small businesses was not addressed. Small businesses in the path of construction have been known to go bankrupt due to the loss of pedestrians and foot traffic caused by construction chokeholds. Find below our original recommendation: INCREASE LOCAL JOB AND ENTREPRENEURSHIP OPPORTUNITIES, AND MITIGATE TRANSIT CONSTRUCTION IMPACTS FOR SMALL BUSINESS "We also recommend that the Business Interruption Fund, to assist businesses impacted due to Metro construction, be implemented for all transit, major highway and arterial projects. Beyond the Business Interruption Fund, Metro should provide small businesses with economic tools to help offset economic losses or assist in overcoming loss of clientele due to construction obstructions. These tools can be provided by Jurisdictions or third party providers of small business advisory services"</p>

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
29	Moises Cisneros	Los Angeles Latino Chamber of Commerce	Consumer		<p>Two major issues that are of concern include:</p> <ol style="list-style-type: none"> 1. No procurement goals or statement for a specific minimum is highlighted for Small Business Enterprises, Disadvantaged Business Enterprises. It's not enough to simply say there will be a goal. That goal needs to be reflective of the surrounding community and capacity for providing a service. 2. Disabled Veteran Business Enterprises are not mentioned at all for procurement goals. We strongly recommend Metro considers the following statement from both the business and small business community represented: "Measure M can be a turning point for the economic empowerment of small business in Los Angeles County. Metro has done a very good job of inviting small and local businesses to do business with Metro but more can be done to expand small business opportunities in Measure M. We recommend that Metro follow the example of the Port of LA to include local businesses in all projects, and report to the Metro Board regularly as to how those goals are being met. For Major projects and Local Return funds, we recommend guidelines of: 25% SBE, 17% DBE/MBE/WBE and 10% DVBE. We recommend prioritizing local small business and retail entrepreneurship opportunities in each Transit Oriented Community/Development, including support and preservation of businesses impacted by Metro project construction. In cases where jurisdictions do not have the capacity to implement the above percentage goals, we recommend that Metro administers the program on behalf of the jurisdiction."

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
30	Bryn Lindblad	Climate Resolve	Consumer	<p>1.) Administrative development for multi-year subregional programs -- especially highway subfunds - needs to include performance criteria that ensure investments are in alignment with climate goals, multi-modal safety and equitable accessibility priorities. This important process can go a long way in preventing Measure M dollars from doing more harm than good to EJ communities in particular, and should not be rushed through in a non-meaningful way. The 6-month timeline that is currently proposed may be too rushed and should potentially be lengthened to 12 months to create more of an opportunity for developing performance criteria mechanisms that ensure Measure M dollars achieve results that are better than the historical business as usual.</p> <p>2.) Will the supplemental funds provision trigger the State ATP restrictions that do not allow urban greenery to be funded in active transportation projects? If so, this remains a critical gap, that instead Measure M funds should try to fill.</p>	<p>1.) In defining eligible expenditures in the highway subfund, (on pg. 35) the 'Traffic Congestion Relief Investments' program description should not include the outdated level of service (LOS) metric nor misguided road widening as a method to relieve congestion. Instead, it should be replaced with a VMT-reduction metric, as instructed by SB743.</p> <p>2.) "Green", as referred to in the terms 'green infrastructure' and 'green streets' (on pgs. 42 and 78), should not be limited to only describing the stormwater management benefits that come from natural project elements. The definition should be expanded to include urban heat island mitigation / cooling benefits brought about by shade and innovative materials that radiate less heat.</p> <p>Incorporating cooling into transportation infrastructure not only delivers public health benefits, but it also makes active transportation and waiting for the bus more viable options for people who are otherwise deterred from doing so.</p> <p>3.) Operations subfunds (including Metro Rail Operations, pgs. 63-5 and Transit Operations, pgs. 66-9) should include eligibility for: a.) maintenance of green infrastructure, to ensure full life-cycle benefits are achieved. (Often funding for this maintenance piece is overlooked, and doing so in Measure M guidelines could similarly prevent intended environmental and community outcomes.) b) recreational transit service to open space. (This is an important social determinant of health, which Metro is currently studying, and should have an opportunity to receive adequate Measure M funding.) Currently, this is only listed as an eligible expense in the Local Return section, but it should also be in these other categories that support transit service expansion.</p>

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
31	Thomas Yee	LA THRIVES/ Low Income Investment Fund	Consumer	<p>Section 3: The addition of performance metrics is a good step, however the timing of the approval of metrics (as well as evaluation areas and criteria) need to be adopted in advance of the new MSP project development process, and the timeline should be specified in Section 3.</p> <p>Section 8. The Consumer perspective should be explicitly referenced in the introduction. The rationale for the contribution should include language setting forth a goal to maximize multimodal access to all transit stations in every jurisdiction.</p> <p>Section 14. The reference to Vision Zero in Section 14 (page 46) already states "Projects funded with Measure M funds, including Active Transportation 2%, should support the protection of pedestrian and bicycle safety in line with "Vision Zero" or equivalent policies. Since this is to be globally applied, it is more appropriate to be placed in either Section 1, 3, or 9 so that it is clearly a global policy goal, and not just limited to 2% ATP. In addition, in the absence of a Metro Vision Zero policy, the guidelines should allow for the development of Metro Vision Zero guidance as part of administrative and performance procedures. 25.</p> <p>pg 85 - The revision to TOC needs some additional clean-up language. The memo to the PAC refers to a "TOC manual", whereas the revised guidelines refer to the Transit Oriented Communities Program". Neither of these are discrete Metro policy documents. We recommend language that clarifies this reference, and suggest the following: "as described in Metro's Transit Oriented Communities Policy. In the absence of official Policy, jurisdictions should refer to the TOC Demonstration Program." Additionally, the revised guidelines introduce new language on page 93 requiring adherence to expend funds "for</p>	<p>Section 10. The Policy Considerations listed in Section 12, which have been revised to "shall comply with the" ATP, Complete Streets Policy, CSPP, First/Last Mile Strategic Plan , etc, is more appropriate to be placed in Section 10 covering all of the MSP programs, and should be either moved in entirety into that section. All of the approved MSP categories would include relevant infrastructure improvements that should comply, not just the programs listed in section 12.</p>

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			<p>transportation purposes, as defined by these guidelines." Because TOC by definition extends the definition of traditional transportation purposes, this creates uncertainty around expending funds for TOC activities. Clarifying language should be included on either page 85 or 93 clearly stating that all TOC activities described by TOC policy (or Demonstration Program) are included in the definition of transportation purposes. Attachment D. The phrase "including performance metrics" in Section XVIII should be mirrored in other MSP sections, specifically IX-XII, XIII, XIV, XV, XVI, XVII, and XIX</p>	

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
32	Jessica Meaney	Investing in Place	Consumer		<p>The revised guidelines still lack an affirmative statement that Metro's Complete Streets Policy applies to all funding programs. This leaves project sponsors and stakeholders uncertain as to which policies will apply to what projects, with differing interpretations potentially subjecting projects to administrative and political delays unless the issue is resolved. Metro's Complete Streets Policy itself is clear about its application to all projects and all programs, yet the guidelines only reference the policy under the active transportation programs, which are--by definition--in compliance with complete streets. The revised guidelines include a Metro-administered eligibility screen for all projects funded by the Multiyear Subregional Programs. This is the appropriate place for Metro to evaluate each project's compliance with its Complete Streets Policy, including the local jurisdiction mandate. The final guidelines should be revised to include this requirement unambiguously. The revised guidelines did not change the objectives for any of the highway programs. Traffic safety is still not integrated into the core purpose of investments in the street and freeway system and no specific procedures are proposed to make safety analysis a routine part of highway program administration.</p> <p>The revised guidelines continue to consider state of good repair, maintenance, and beautification projects ineligible for highway program funding, without clearly defining these terms to ensure that complete streets improvements are not inadvertently excluded. The revised guidelines continue to hold projects on city streets to the same objectives as freeway projects. The application of Metro's Complete Streets Policy to these programs remains unclear, despite these programs being the one of the primary funding programs for</p>

Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
				street improvements in Los Angeles County moving forward.

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
33	Joana Hankamer	City of West Hollywood	Jurisdiction (City or COG)	<p>The voters approved Measure M based on promoted programs and projects to be funded by the sales tax; however, many capital projects listed on the Expenditure Plan are not fully funded and many projects were also under-estimated for probable cost*. Metro is therefore urged to engage the Policy Advisory Council (PAC) in discussions about filling the funding gaps in Measure M in order to fulfil the promises of Measure M; and engage the PAC in the development of a comprehensive action plan focused on:</p> <ol style="list-style-type: none"> 1. updating the Expenditure Plan based on accurate cost assumptions, 2. competing effectively and successfully in Sacramento for SB 1 funds, and 3. accessing other non-Measure M revenue sources, including federal funds and private sector revenues <p>*For example, the Northern Extension of the Crenshaw/LAX Line was assigned a project cost of \$2.3 billion in the Expenditure Plan based the shortest alignment only, thereby under-estimating all but one alternative before any study has been done to identify a locally preferred alignment. Such insufficient cost estimate assumptions in Measure M create unanticipated budget shortfalls and unrealistic expectations for projects approved by the voters in Measure M. (In 2010 Metro identified more than four possible alignments for the Northern Extension of the Crenshaw/LAX Line, varying in length between 6 and 10 miles).</p> <p>The Draft Guidelines contain many references to the necessity to leverage the revenues generated from the Measure M program. One of the significant leveraging opportunities available to Metro is the recent</p>	

	Commenter Name	Organization	Role on the PAC	MINOR Concern	MAJOR CONCERN
				<p>enactment of "The Road Repair and Accountability Act of 2017", SB 1 (Beall, Chapter 5, Statutes of 2017). The State has projected that over the next 10 years this new funding program will provide an estimated \$50.0 billion supporting both competitive and formula based transportation programs. Eligible expenditures include, among other activities, transit development, intercity rail, active transportation, local streets, freight projects, local planning, and work force development. For example, Metro has projected that approximately \$260.0 million annually will be available to Los Angeles County jurisdictions for improvements to local streets including "complete streets." One of the key objectives in pursuing SB 1 generated funds is to access the maximum of new state funds to leverage Measure M revenues and accelerate the implementation of "Shovel Ready Projects."</p>	



MEASURE M

~~DRAFT~~

FINAL

GUIDELINES

Introduction

On June 23, 2016, the Metro Board of Directors approved the Los Angeles County Traffic Improvement Plan Ordinance (#16-01, the “Ordinance”). This Ordinance, known as Measure M, was approved by more than 71% of voters at the November 8, 2016 general election. As a result, the projects and programs in the Expenditure Plan of the Ordinance have been approved and must now be implemented accordingly.

Measure M is far more comprehensive and ambitious than Measure R. The Guidelines must address all aspects of administering and overseeing Measure M. For this reason the oversight of Measure M is also more complex. The attached master guidance was prepared for a comprehensive and balanced approach for all elements of Measure M. Primary topics include: Administration and Oversight; Audits; Assessments and Amendments; Cashflow; Transit Operations and Other Designated Operational Funding; Multi-year Subregional Programs; Local Return; and State of Good Repair.

The success of Measure M will be built upon the diverse and committed coalition that supported its passage, and efficacy of the Measure M plan provisions as they impact our various constituencies. The Metro Board and its staff are ultimately accountable to the people of Los Angeles County. It is with this consideration, that we present these Measure M Guidelines.

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I. ADMINISTRATION & OVERSIGHT

Evolving framework

As master guidance, this document provides the overarching framework for the management and oversight of Measure M and its component elements. In several cases, more detailed processes and/or procedures will need to be developed for the actual administration of the program elements, and timelines for those details are noted throughout. Those detailed processes/procedures will be developed and revised ~~amended~~ separately, as required to adjust to changing circumstances over time.

The Guidelines recognize the potential cross benefits and synergies between the different funding programs and will encourage a comprehensive approach to project development and delivery to ensure maximum benefits.

Ordinance background

Measure M was approved by the voters of Los Angeles County on November 8, 2016 to improve transportation and ease traffic congestion consistent with the Measure M Ordinance #16-01.

OVERSIGHT

Metro staff developed a Selection Process to address the Measure M Ordinance requirements for the Independent Taxpayer Oversight Committee, comprised of seven voting members representing the following areas of expertise:

- A. A retired federal or state judge.
- B. A professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience.
- C. A transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices.
- D. A professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews.
- E. A professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects.
- F. A licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience.
- G. A regional association of businesses representative with at least ten (10) years of senior-level decision making experience in the private sector.

Additional information is available on the Metro website.

TIMELY USE OF FUNDS

Given the objective of Measure M to improve transportation, transit service and ease traffic congestion in the region, the timely use of funds is a foundational principle throughout these Guidelines. It is the fiscal responsibility of Metro to ensure that Measure M sales tax revenues are spent according to the requirements of the Ordinance as quickly as possible to realize the benefits of the Measure M Expenditure Plan as promised for the people of Los Angeles County.

Project Readiness

Part of Metro's obligation to ensure timely use of Measure M funds is to define and encourage project readiness in order to move projects forward in a timely manner. Because sales tax revenues are accrued over time, the capacity to fund multiple projects and programs necessitates sequencing over multiple years. This sequencing is reflected in the project and programs lists that comprise the Measure M Expenditure Plan.

That said, individual projects will need to move forward within a managed cashflow process as outlined in the Cashflow Management section of these Guidelines. Part of that process is built on an assumption that projects or programs will obligate Measure M funds at the time they are ready to use them. As a result, "project readiness" criteria have been established for several Measure M programs, and are noted as such in the Guidelines.

~~The most direct way to incorporate additional acceleration to deliver projects more quickly relates to Metro's "Operation Shovel Ready," detailed in January 2016. As part of this program, Metro will aggressively move forward in bringing transit, highway and regional rail projects closer to the implementation stage. Bringing these projects to a "shovel ready" state allows Metro to take advantage of potential opportunities that may develop and allow the projects to advance into the design and construction stages sooner rather than later. As stated in the report to the Board:~~

~~"'Operation Shovel Ready' potential opportunities may include those related to funding, grants, private sector participation and local community support. If these projects are not advanced to a shovel ready state, Metro may not be able to take advantage of future, unexpected opportunities. Moving these projects closer to a shovel ready state does not necessarily mean that they will all move immediately into the construction stage. However, they will get done sooner when funding becomes available and are ready to start quickly."~~

Lapsing Requirements

Once funds are obligated, they need to be expended for the purposes assigned. Recipients must comply with specific lapsing requirements, like those set forth in the Local Return Guidelines. When not specifically set forth in the Guidelines, fund-lapsing rules will be adopted by the Metro Board hereafter. Processes for lapsing will also include an option for extensions

on a case-by-case basis, accompanied by adequate documentation of justification of the need for the extension request. .

PROJECT ACCELERATION

The Ordinance allows for project acceleration. As compared to projects that are delayed due to unavailable funding, environmental clearance issues, litigation, or other considerations ~~Project acceleration can be considered by the Metro Board based upon~~ may consider project acceleration ~~considerations, as compared to projects that are delayed due to funding, environmental clearance issues, litigation, or other considerations which, include~~ based on, but not limited to the following:

- Available local funding such as supplemental local sales tax ballot measure, local toll/farebox revenues or special district tax increment financing;
- Available private investment when funding assumes such P3 investment;
- Elements that determine use of available federal/state discretionary funding;
- Opportunity to combine two or more projects to achieve economy of scale and minimize impacts of multiple back-to-back construction over a long period of time;
- ; and
- Ease of property acquisition or use due to available rights-of-way and/or municipal or Metro-owned properties.

Additional acceleration, discussed hereinafter, requires the approval by 2/3 vote of the Metro Board and cannot delay any other Expenditure Plan project or program beyond the dates contained in the Expenditure Plan.

The most direct way to incorporate **additional** acceleration to deliver projects more quickly than the schedules listed in the Ordinance Attachment A relates to Metro's "Operation Shovel Ready," detailed in January 2016. As part of this program, Metro will aggressively move forward in bringing major transit and highway projects closer to the implementation stage. Bringing these projects to a "shovel-ready" state allows Metro to take advantage of potential opportunities that may develop and allow the projects to advance into the design and construction stages sooner rather than later. As stated in the report to the Board:

"'Operation Shovel Ready' potential opportunities may include those related to funding, grants, private sector participation and local community support. If these projects are not advanced to a shovel-ready state, Metro may not be able to take advantage of future, unexpected opportunities. Moving these projects closer to a shovel-ready state does not necessarily mean that they will all move immediately into the construction stage. However, they will get done sooner when funding becomes available and are ready to start quickly."

This concept will also be used as part of these Measure M Guidelines.

COST CONTAINMENT POLICY FOR EXPENDITURE PLAN MAJOR PROJECTS

It is essential that costs be managed and controlled to ensure delivery of Measure M Major Projects. It is expected that all Major Projects are managed to the approved budget and schedule within the Expenditure Plan.

The objective of the cost management policy and process is to ensure the prompt development and consideration of project cost alternatives that genuinely address the cost controls necessary to successfully deliver all Measure M transit and highway Major Projects. First and foremost is that no project will receive Measure M funds over and above the amount listed in the expenditure plan except under the following circumstances:

- A) The cost is related to inflationary pressures, and meets the requirements for the Inflation related Contingency Fund provisions provided under the Ordinance. These are addressed in the Contingency Fund Guidelines Section VII.
- B) Additional Measure M funds are provided for and consistent with amendments permitted in tandem with the Ten-Year Comprehensive Program Assessment permitted under the Ordinance. This process is addressed in the Comprehensive Program Assessment Process & Amendments Section III.
- C) Redirection of Measure M subregional funds aligned with the project's location, so long as the project satisfies all subregional program eligibilities and procedures consistent with these guidelines, and with the agreement of jurisdictions otherwise eligible for those subregional funds.

In all of these cases, a specific Metro Board action is required to address the shortfall prior to the project proceeding.

When the aforementioned processes are not appropriate or applicable, according to these Guidelines, the shortfall will then first be addressed at the project level prior to evaluation for any additional, non-Measure M resources using these methods in this order:

- 1. Value Engineering/Scope Reductions—these must be consistent with any prior related requirements or limitations attached to the project scope;
- 2. New Local Agency Funding Sources;
- 3. Shorter Segmentation—these must be consistent with any prior related requirements or limitations attached to the project scope;
- 4. Corridor Cost Reductions;
- 5. Subregional funding reductions from the affected subregion; and then
- 6. Countywide Cost Reductions.

If recommended sources involve any funds that are not from locally controlled sources, the planned reduction must conform to the priorities of the Long Range Transportation Plan (LRTP).

AUDIT REQUIREMENTS

Use of Measure M funds will be subject to audit and oversight, and all other applicable state and local laws.

MEASURE M RECOGNITION

Projects and services funded by Measure M will publicly acknowledge the use of Measure M funds through websites, flyers, or other promotional and marketing materials. The form of recognition will be left to the discretion of Metro in consultation with the recipient agency.

SMALL BUSINESS ENTERPRISE PROGRAM

Measure M projects and programs are encouraged to comply with the Metro Board adopted Small Business Enterprise (SBE) Program and the Prohibition against Discrimination or Preferential Treatment by State and Other Public Entities.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

II. AUDITS

Annual Financial and Compliance Audit and Independent Audit Firm Solicitation

Per the Measure M Ordinance, Metro shall contract for an annual audit, to be completed within six (6) months after the end of the fiscal year being audited, for the purpose of determining compliance by Metro with the provisions of the Ordinance relating to the receipt and expenditure of Sales Tax Revenues during such fiscal year. The audit should include a determination as to whether recipients of Net Revenues allocated from these Subfunds have complied with the Ordinance and any additional guidelines developed by Metro for these Subfunds.

Annual Audit Workshop

Metro will facilitate an annual collaborative audit workshop that will be attended by the selected independent audit firms and fund recipients for the purpose of providing insight into the audit process, documentation requirements and important audit due dates. The workshop will give attendees a chance to meet representatives from the CPA Firms conducting the audits, who will provide an overview of the audit process and timelines. In addition, pertinent Metro staff will provide background information on the various funding programs included in the annual audit.

Review of Annual Audit Results and Public Hearing

Results of the annual financial and compliance audits will be presented to the Independent Taxpayer Oversight Committee which will make findings as to whether Metro is in compliance with the terms of the Ordinance. Such findings shall include a determination as to whether recipients of Net Revenues allocated and funds were expended for all the Subfunds (outlined in the Expenditure Plan) and have complied with this Ordinance and any additional guidelines developed by Metro. Audit results will also be available on the Independent Taxpayer Oversight Committee webpage which is linked to the Measure M website.

The Independent Taxpayer Oversight Committee will cause a summary of each audit to be available and accessible to the public (through various types of media) prior to the public hearing and upon request. The Independent Taxpayer Oversight Committee shall hold an annual public hearing to obtain the public's input on the audit results. All Independent Taxpayer Oversight Committee meetings shall be in accordance with the Ralph M. Brown Act.

III. **COMPREHENSIVE PROGRAM ASSESSMENT PROCESS & AMENDMENTS**

Five-Year Assessment

Commencing in calendar year 2022, and every five (5) years thereafter, the Metro Board of Directors shall adopt a Five-Year Comprehensive Program Assessment. These assessments shall be coordinated with Metro's Short Range Transportation Plan (SRTP) and/or the Long Range Transportation Plan (LRTP) and provide a comprehensive review of all projects and programs implemented under the Measure M Expenditure Plan to evaluate the performance of the overall program and make recommendations to include, but not be limited to:

- Improvements on current practices;
- Best practices; and
- Organizational changes to improve coordination.

Specific evaluation areas, performance metrics and criteria of the Five-Year Comprehensive Program Assessment will be approved by the Metro Board of Directors in consultation with the Measure M Independent Taxpayer Oversight Committee.

Prior to adoption, the Measure M Independent Taxpayer Oversight committee shall review the Five-Year Comprehensive Program Assessment and make findings and/or provide recommendations for improving the program. The results of the Committee's review shall be presented to the Metro Board of Directors as part of the adoption of the Comprehensive Program Assessment.

Ten-Year Assessment

Commencing in calendar year 2027, and every ten (10) years thereafter, the Metro Board of Directors shall adopt a Ten-Year Comprehensive Program Assessment. These assessments shall be coordinated with Metro's Long Range Transportation Plan (LRTP) updates, including LRTP performance metrics, and provide a comprehensive review of all projects and programs implemented under the Measure M Expenditure Plan to evaluate not only all areas of the Five-Year Comprehensive Program Assessment, but those impacting the ability to amend the Measure M Ordinance and Expenditure Plan. These evaluation areas include, but are not limited to:

- Projects/programs completed;
- Projects/programs anticipated for completion in the next ten years; and
- Changes in circumstances affecting the delivery of projects/programs within their schedules as identified in the Measure M Expenditure Plan.

Specific evaluation areas, performance indicators for project delivery, and criteria of the Ten-Year Comprehensive Program Assessment will be developed by the Metro Board of Directors

through the Long Range Transportation Plan in consultation with the Measure M Independent Taxpayer Oversight Committee.

Amendment Opportunities

As part of its approval of the Ten-Year Comprehensive Program Assessment the Metro Board of Directors may adopt amendments to the Measure M Ordinance and Expenditure Plan to: (1) add Major Projects and/or Multi-Year Subregional Programs; (2) transfer funds between capital project/program subfunds; and (3) change subregional boundaries (limited to no earlier than 2047 by the Measure M Ordinance). The Measure M Independent Taxpayer Oversight Committee shall review and provide comment on the assessment to the Metro Board of Directors. Prior to action on any amendment the Metro Board of Directors shall hold a public meeting on proposed amendments. Notice of the public meeting shall be provided at least 60 days in advance of the meeting to the Los Angeles County Board of Supervisors, the city council of each city in Los Angeles County, and the public, and shall include a copy of the proposed amendments. All amendments must be passed by a 2/3 vote of the Metro Board of Directors.

1. Add Major Projects and/or Multi-Year Subregional Programs – “Expenditure Plan Major Projects” and “Multi-Year Subregional Programs” may be added to the Expenditure Plan provided that such additions do not delay the “Groundbreaking Start Date,” “Expected Opening Date,” or amount of “Measure M Funding 2015\$” of any other “Expenditure Plan Major Projects” or “Multi-Year Subregional Program.” Changes in circumstances affecting the delivery of projects/programs will be evaluated through the Ten-Year Comprehensive Program Assessment to confirm and update actual project delivery schedules.
2. Transfer Funds Between Capital Project/Program Subfunds – The Metro Board of Directors may adopt an amendment transferring Net Revenues between the Transit, First/Last Mile (Capital) Subfund and the Highway, Active Transportation, Complete Streets (Capital) Subfund. The Metro Board of Directors shall not adopt any amendment to the Measure M Ordinance or Expenditure Plan that reduces total Net Revenues allocated to the sum of the Transit, First/Last Mile (Capital) Subfund and the Highway, Active Transportation, Complete Streets (Capital) Subfund.
3. Change Subregional Boundaries – Not sooner than 2047, the Metro Board of Directors may amend the boundaries of the subregional planning areas as identified in Attachment B of the Measure M Ordinance.

IV. MAJOR PROJECT ACCELERATION AMENDMENTS

The Metro Board of Directors may consider an amendment of the “Schedule of Funds Available” to accelerate an “Expenditure Plan Major Project” at any time over the Measure M program provided that such amendment shall not:

- Reduce the amount of funds assigned to any other project or program as shown in the “Measure M Funding 2015\$” column of the Measure M Expenditure Plan;
- Delay the “Schedule of Funds Available” for any other project or program; or
- Negatively impact Metro ability to meet FTA requirements for maintaining existing service levels.

Acceleration is defined as advancing major projects ahead of the identified “Groundbreaking Start Date” identified in the Measure M Expenditure Plan. Acceleration of projects may be triggered by events including, but not limited to:

- Unsolicited proposals from the private sector deemed to have technical or financial merit;
- Changes in technology that reduce project costs and improves project delivery;
- Unforeseen state and/or federal funding opportunities; and
- Unanticipated, unmitigated, and unavoidable delays in other project/program delivery schedules.

The Metro Board of Directors shall perform an assessment of any major project acceleration proposal, including financial feasibility and other performance metrics. Major projects proposed for acceleration can be considered “Shovel Ready” such that they:

- Have attained all required state and federal environmental clearances as applicable; and
- Have attained 30% design plans if to be delivered under design-build procurement; or
- Have attained 100% design plans, permits essential to begin construction, and all right-of-way clearances* if to be delivered under design-bid-build procurement; or
- Have a full funding plan, including an appropriate contingency, of committed/reasonably assumed funds consistent with the proposed acceleration schedule.

*Right-of-way clearance includes right-of-way work-arounds during construction as certified by the California Department of Transportation.

Changes in circumstances affecting the delivery of other projects/programs will be evaluated through the Ten-year Comprehensive Program Assessment to confirm and update actual project delivery schedules.

The Measure M Independent Taxpayer Oversight Committee shall review and provide comment on the Ten-year Comprehensive Program Assessment to the Metro Board of Directors. Prior to action on any amendment the Metro Board of Directors shall hold a public meeting on proposed amendments. Notice of the public meeting shall be provided at least 60 days in advance of the meeting to the Los Angeles County Board of Supervisors, the city council of each city in Los Angeles County, and the public, and shall include a copy of the proposed amendments. All amendments must be passed by a 2/3 vote of the Metro Board of Directors.

General Amendments

The Metro Board of Directors shall develop procedures for general amendments to the Measure M Ordinance and Expenditure Plan in consultation with the Measure M Independent Taxpayer Oversight Committee, and will be included as an addendum to these Guidelines within one year of adoption of these Guidelines. The procedures will cover all other areas of amendments beyond those identified in the 2017 Measure M Guidelines and be added to the 2017 Measure M Guidelines by adoption of the Metro Board of Directors. These areas include, but are not limited to:

- Timing of amendments;
- Exclusions – Ordinance provisions that cannot be amended without vote of the public;
- Exceptions – Ordinance provisions that change without amendment requirements; and
- Metro Board action requirements, including public outreach and Measure M Independent Taxpayer Oversight Committee involvement.

V. DEBT POLICY

INTRODUCTION

In April 2015, the Metro Board adopted Metro's Debt Policy, incorporating affordability policy limits, types of financing products, structural features and the debt issuance process at Metro. This policy covers local sales taxes and debt related to Proposition A, Proposition C, and Measure R.

PROGRAM OBJECTIVES

The guidelines for Measure M debt will be included in the next iteration of Metro's Debt Policy which is scheduled for 2017. Once completed, the 2017 Metro Debt Policy will provide formal guidance for debt issuance under Measure M.

PROGRAM AMOUNT AND ALLOCATION PERIOD

The debt guidelines and affordability targets for Measure M will be developed by Finance/Treasury with input from Planning as part of the 2017 update for the Metro Debt Policy and various guidelines related to Measure M. Debt issued will determine cashflow priorities according to bond covenant requirements. No language set forth in these Guidelines is meant to circumvent bond obligations related to these funds.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how funds associated with the Measure M debt are contributing to accomplishing the program objectives.

AUDIT REQUIREMENTS

Use of these funds will be subject to audit and oversight as determined by Measure M and all other applicable federal, state and local laws. Metro will retain all documents and records related to this program and the use of funds according to Metro's records and disposition policies in force at the time of the debt issuance.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors, including by adoption of future revisions to Metro's Debt Policy.

VI. CASHFLOW MANAGEMENT

INTRODUCTION

The purpose of the Cashflow Management Guidelines is to identify the forecasted five-year cashflow availability and needs for operating and capital uses on an annual basis. ~~This will be done through the Transportation Finance Plan (TFP) Model, originally developed to support the LRTP and SRTP.~~ The annual needs for all operating and capital uses are determined in coordination with the Metro Office of Management and Budget, Metro Program Management and Construction, Caltrans, and other project sponsors and service providers as appropriate. Cashflow determinations will consider a comprehensive forecast for the duration of the Long Range Transportation Plan period. ~~This model forecasts all revenue sources available to Metro needed to finance the costs of operating and maintaining the transit system, as well as the capital program and project commitments made over that period, including all voter approved expenditure plans. The TFP directly supports and satisfies the analytical requirements imposed by the Federal Transit Administration for full funding grant agreements. It also supports the Southern California Association of Governments (SCAG) Regional Transportation Plan and similar requirements from the State of California.~~

PROGRAM OBJECTIVES

On an annual basis, Metro will develop a five-year forecast to identify how much revenue will be generated from Measure M tax receipts. Measure M receipts can be calculated for funding Transit Operating & Maintenance, and the Local Return/Regional Rail subfund as a percentage of this revenue number, net of administration (1.5%). Surplus or deficit amounts will be adjusted based on financial year actual receipts as reported in Metro's Comprehensive Annual Financial Report (CAFR). Cashflow needs for the project and program purposes included within the Transit and Highway Capital Subfunds defined in the Ordinance ~~programs will be forecast identified in the Long Range Transportation Plan, Program Management Plan, Annual Budget, or other appropriate processes.~~ Cashflow in the TFP Model, and may include funding from other local, state, federal sources, including revenue from debt issuance instruments.

PROGRAM AMOUNT AND ALLOCATION PERIOD

~~The TFP Model outputs identify annual programmed funding for the LRTP period, as defined above.~~ Cashflow will be identified to fund these projects and programs within those capacities ~~after allocations to the Transit Operating & Maintenance, and the Local Return/Regional Rail subfunds, per the Ordinance.~~ All Highway and Transit Capital projects and programs will be funded based on the schedules established in the Measure M Expenditure Plan as supported by the Program Management Plan and Ten-Year Capital and annual Metro budget processes. If Measure M cash receipts for capital projects or programs are insufficient based on the annual receipts then bond proceeds may be used to maintain the schedule set forth in the Expenditure Plan. If bond proceeds are insufficient to maintain the Expenditure Plan schedule, then other local, state, and federal funding may be programmed for project completion ~~in the TFP Model.~~ The Expected Opening Date identified in the Expenditure Plan

represents the first year of a three-year window, so Measure M funding may extend beyond the Expected Opening Date.

ALLOCATION METHODOLOGY

Shortages in the cashflows will need to be addressed by borrowing (i.e., debt issuance) or delaying capital projects to later in their three-year opening date range permitted by the Ordinance. Other cashflow shortages will be addressed at the project level and will require Board approval as appropriate. Surpluses in the cashflow profile may be used to fund the Highway and Transit Contingency subfund or any other uses permitted by the Ordinance, and consistent with the TFP Model forecast developed for use with the LRTP and other long-term capital planning needs.

RESERVE/CARRYOVER REQUIREMENTS

Given the objective of the program to identify cashflow needs, Metro encourages capital projects to draw down these funds in a timely manner for transportation improvements and services for the traveling public. However, Metro may reserve or carryover any excess surplus to the next fiscal year, provided such carryover is coordinated and consistent ~~with the TFP Model~~, with the purposes of achieving its Long Range Transportation Plan goals.

ADVANCING MULTI-YEAR SUBREGIONAL PROGRAM PROJECTS WITH LOCAL FUNDS

One of the major challenges in accessing the Multi-Year Subregional Measure M funding is that the Measure M Expenditure Plan identifies the availability of these funds (“Groundbreaking Start Date”) broadly over the first 40 years. Across all nine subregions, there are 45 Multi-Year Subregional Programs covering multiple categories/modes of transportation investments. In many cases the “Groundbreaking Start Date” and “Expected Opening Dates” stretch from 2018 to 2057; and the “Groundbreaking Start Date” can vary from as early as fiscal year 2018 to as late as fiscal year 2048.

Multi-Year Subregional projects will be identified in a five year plan, pursuant to Section IX. At the start of each year included in the 5 year plan, Metro will request notice from Multi-Year Subregional Program (MSP) project sponsors seeking funding to identify project readiness together with funding requests, no less than four months prior to the beginning of each Metro fiscal year. When notice is not provided, project sponsors will be “subject to a first-come, first-served” fund availability requirement within each fiscal year.

However, where funds may not yet be available, and to support the immediate delivery of high priority projects within the Multi-Year Subregional Programs, the Metro Board of Directors will consider various tools to promote delivery of these projects as quickly as possible, including, but not limited to subregional requests for a Letter of No Prejudice (LONP), allowing the local project sponsor to move forward with the delivery of the project using other local funds while requesting eligibility for future reimbursement of Measure M funds when such funding is available.

Another available tool will allow subregional project sponsors to elect to borrow from one MSP fund amount to accelerate a project in another MSP fund of a different type that may not be available until a later year. This type of inter-program borrowing within the MSP requires Metro Board approval and consent by the affected subregion(s). The process for this, as well as the process for requesting funds will be developed within ~~one year~~ six months of the adoption of these Guidelines. The process will include criteria for resolving conflicting requests for funding in any given fiscal year.

REPORTING REQUIREMENTS

Metro will provide as needed reports to the Measure M Independent Taxpayer Oversight Committee describing how cashflow management is contributing to accomplishing the overall program objectives. Measure M funds may be used to supplement existing state, federal and local transit funds in order to maintain the provision of the existing highway and transit services in the event of a current or projected funding shortfall.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

VII. CONTINGENCY SUBFUNDS

INTRODUCTION

The Measure M contingency subfunds are established to help identify resources necessary to accommodate the requirements of the Transit and Highway Contingency Subfunds as identified in the Measure M Ordinance. Specifically, the Ordinance states:

Section 7 (2) A:

Metro may expend funds from the Contingency Subfunds for inflation adjustments for any project identified in the "Expenditure Plan Major Projects" section of Attachment A if less than two-thirds (2/3) of the amount allocated in the "Measure M Funding 2015\$" column has been expended prior to the first day of Fiscal Year 2027. Such expenditures shall be deducted from the Highway Contingency Subfund if the project is coded "H" in the "modal code" column of Attachment A or from the Transit Contingency Subfund if the project is coded "T" in the "modal code" column of Attachment A. Such expenditures shall not exceed the actual amount of inflation since 2015 as determined by an index selected by the Metro Board of Directors.

PROGRAM OBJECTIVES

The contingency subfund is designed to allow greater funding flexibility for projects that are programmed later in the Expenditure Plan (i.e., after FY2026). Qualifying Major Projects have a super-majority (more than 2/3) of their funding programmed after FY2026 and Multi-Year Programs that extend past FY2026. The post FY2026 Projects and Programs can use contingency funds to help pay for cost increases due to inflation. The Cashflow Management guidance in Section VI provides additional details regarding the methodology for determining how much money should be set aside for the contingency subfund each year.

PROGRAM AMOUNT AND ALLOCATION PERIOD

~~Projects that occur in the first 10 years are to be identified in the Transportation Finance Plan (TFP) Model. The TFP Model with annual updates and five year forecasts will be used to make contingency fund eligibility determinations described herein.~~ The Expenditure Plan identifies the following Major Projects that may be eligible for contingency funding in the first 10 years, in so far as their projected Measure M funding needs in the first 10 years are equivalent to 1/3 or less of the amounts listed in the Expenditure Plan:

Major Projects

- SR-57/SR-60 Interchange Improvements
- Green Line Extension to Crenshaw Boulevard in Torrance

- I-710 South Corridor Project (Phase 1)
- I-105 Express Lane from I-405 to I-605
- Sepulveda Pass Transit Corridor (Phase 2)

For the first 10 years of Measure M, projects eligible for contingency will be reassessed with annual cashflow forecasts and as part of the five-year assessments~~updates of the TFP Model~~.

All other Major Projects are eligible for contingency funds based on the Schedule of Funds Available timeline identified in the Expenditure Plan. Major Projects that are accelerated for any reason may risk access to the contingency funds if more than 2/3 of the project funding is advanced prior to FY2027.

Multi-Year Programs

Projects funded from ~~All~~ Multi-Year Programs in the Expenditure Plan are eligible for contingency funds starting in FY2027. Exceptions include: (1) Street Car and Circulator Projects; (2) North San Fernando Valley Bus Rapid Transit Improvements; and (3) Countywide BRT Projects Phase 1, since their programming allocations end prior to FY2027 as identified in the Expenditure Plan. Within the Contingency Subfunds no money is available for inflation until after FY2026 at which time funds for inflation may be available. Metro Planning and Finance staff will identify the escalation amount associated with construction costs annually using an index which is to be approved by the Metro Board of Directors. The Expenditure Plan identifies the following Multi-Year Programs whose projects may be eligible for contingency funding in the first 10 years:

Multi-Year Programs

- Metro Active Transportation, Transit 1st/Last Mile Program
- Visionary Project Seed Funding
- Street Car and Circulator Projects
- Transportation System and Mobility Improvement Projects
- Active Transportation 1st/Last Mile Connections Program
- Active Transportation Program (nc)
- Active Transportation Program (Including Greenway Projects)
- Active Transportation, 1st/Last Mile, & Mobility Hubs
- Active Transportation, Transit, and Technology Program
- Highway Efficiency Program
- Bus System Improvement Program
- First/Last Mile and Complete Streets
- Highway Demand Based Program (HOV Extension & Connection)
- I-605 Corridor "Hot Spot" Interchange Improvements
- Modal Connectivity and Complete Streets Projects
- South Bay Highway Operational Improvements
- Transit Program (nc)

- Transit Projects (av)
- Transportation System and Mobility Improvement Program

~~Note: Additional projects funded from these multi-year programs that draw down funds in advance of 2027 will not be eligible to utilize contingency funds.~~

RESERVE/CARRYOVER REQUIREMENTS

Given the objective of the program to address capital needs, Metro intends to spend these funds in a timely manner. However, Metro may reserve or carryover its allocation to the next fiscal year or to pay down other debts related to Measure M project delivery.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of the Contingency Funds are contributing to accomplishing the program objectives.

AUDIT REQUIREMENTS

Use of these funds will be subject to audit and oversight as determined by Measure M and all other applicable state and local laws.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors. Details about how these Contingency Subfund accounts will be created and accessed will be further developed and adopted within one year of the adoption of these Guidelines.

VIII. 3% LOCAL CONTRIBUTION TO MAJOR TRANSIT PROJECTS

INTRODUCTION

The Measure M Ordinance includes a provision for 3% local contribution to major rail transit capital projects. The rationale for the contribution is that local communities with a ~~fixed guideway~~ rail station receive a direct benefit due to the increased access to high-quality transit service that is above and beyond the project's benefit to the County as a whole. Countywide, the 3% local funding contribution represents approximately \$1 billion in funding to support the project delivery identified in the Expenditure Plan. The 3% local funding contribution is a critical element of a full funding plan for these rail transit projects. The Ordinance includes provisions that allow development of a mutual agreement between a jurisdiction and Metro, and a default penalty if such an agreement cannot be reached. The agreements shall be in accordance with these guidelines.

PROGRAM METHODOLOGY

The Ordinance calculates the local contribution based on the centerline track miles within a local jurisdiction with a new station in those jurisdictions. These guidelines reflect the nexus between mobility benefits provided to a jurisdiction based on the location and proximity of a new station. The local contribution will be calculated by dividing 3% of the project's total cost, estimated after the conclusion of ~~preliminary engineering (30% plans)~~ thirty percent (30%) of final design, by the number of new rail stations constructed on the line. For purposes of this section, determination of the local jurisdiction borders will be a new station located within one-half mile of the jurisdiction. Building on the Metro Board adopted First/Last Mile policy in 2016, which defines the "walk-shed" around each station as a half-mile radius, the 3% local contribution requirement will be proportionately shared by all local agencies based upon the local agency's land area within a one-half mile radius of a new station. Other arrangements agreed upon by every local jurisdiction in a project corridor with a local contribution obligation are also acceptable, provided that the total of all jurisdictions' contributions equals 3% of the estimated project cost. A list of jurisdictions that may be affected, subject to changes determined by the environmental process, is included as Appendix A.

An agreement approved by both Metro and the governing body of the jurisdiction shall specify the total project cost as determined at the conclusion of ~~preliminary engineering (30% plans)~~ thirty percent (30%) of final design, the amount to be paid by the local jurisdiction, and a schedule of payments. Once approved, the amount to be paid by the local jurisdiction shall not be subject to future cost increases. ~~The jurisdiction may request a betterment for a project. The jurisdiction, however, shall incur the full cost of any such betterment without credit towards the required 3% local contribution. A betterment is defined as a change that will improve the level of service and/or capacity, capability, appearance, efficiency or function over that which is required by the Metro Design Criteria and the environmental document at the time the project is advertised for any construction related bid. This definition can be revised by the Metro Board through revisions to these Guidelines.~~

Eligible Fund Contributions

Eligible fund sources to satisfy 3% local contribution include any funds controlled by the local agency or local agencies (e.g., General Fund, State Gas Tax Subventions, Prop. A, Prop. C and Measure R and M Local Return Funds, Measure M Subregional Program Funds), or any funds awarded from non-Metro competitive grant process funding. Measure M Subregional Program Fund contributions must be accompanied by documented agreement from all jurisdictions that would otherwise be eligible for those sub-regional funds. In-kind contributions eligible to satisfy 3% local contribution include, but not limited to, project specific right-of-way and waiver of permitting fees, local agency staff time (incurred and forecast) if, those costs are specifically included calculated in the project cost and contribution amount by the conclusion of thirty percent (30%) of final design.

Betterments

Betterments are defined consistent with existing policy adopted by the Metro Board on Supplemental Modifications to Transit Projects (October 2013). A “betterment” is defined “as an upgrade of an existing city or utility’s facility or the property of a Third Party, be it a public or private entity, that will upgrade the service capacity, capability, appearance, efficiency or function of such a facility or property of a third party.” Once the 30% design project scope and cost have been determined as the basis of the 3% contribution calculation, subsequent betterments cannot be included in that calculation, nor counted toward a jurisdiction’s eligible contribution. However, they may be included in the project scope if carried at the jurisdiction’s expense.

Active Transportation Capital Improvement Contributions

These guidelines reflect provisions adopted by the Board that allow for local jurisdictions to meet all or a portion of their 3% local contribution obligation through active transportation capital improvements and first/last mile investments that are included in the project scope and cost estimate at the conclusion of ~~preliminary engineering (30% plans)~~ thirty percent (30%) of final design. All local first/last improvements must be consistent with station area plans that will be developed by Metro in coordination with the affected jurisdiction(s). The criteria for local first/last mile investments for first/last mile contributions are being developed by Metro, specifically to carry out integration of first/last mile within transit capital projects. First/Last mile improvements consistent with this section and included in project scope at conclusion of 30% of final design will not be considered “betterments” for the purposes of these Guidelines, and are eligible for local contribution obligations.

Local Contribution Limits

The 3% local contribution will only be calculated against the overall project scope and cost determined at the conclusion of ~~preliminary engineering (30% plans)~~ thirty percent (30%) of

final design. Local agencies cannot count other transportation investments that are not included in the project scope and cost estimate after the conclusion of ~~preliminary engineering (30% plans)~~ thirty percent (30%) of final design. Metro staff will provide written notice to the affected jurisdiction(s) and a report to the Metro Board at the completion of thirty percent (30%) of final design ~~30% engineering.~~

Contributions for calculations assigned to the County of Los Angeles are to be determined by the County; this may include assignment of this obligation to the Supervisorial District in which the project is located.

Opt-Out Option

Metro will withhold up to 15 years of Measure M Local Return Funds for local agencies that fail to reach a timely agreement with Metro on their 3% contribution prior to the award of any contract authorizing construction of the project within the borders of that jurisdiction. Local return funds from Proposition A, Proposition C, and Measure R are not subject to withholding. In some cases, principally in smaller cities, the default withholding of 15 years of local return from only Measure M Local Return Funds will be less than a formal 3% contribution. In these cases, the cities which default on making their full 3% contribution will suffer no further impact.

AUDIT REQUIREMENTS

Use of Measure M funds will be subject to audit and oversight, and all other applicable state and local laws.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of the Measure M Funds are contributing to accomplishing the program objectives.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

IX. MULTI-YEAR SUBREGIONAL PROGRAMS

INTRODUCTION

Multi-Year Subregional Programs are included in Measure M on page 3 of Attachment A, known as the Expenditure Plan. Measure M requires Guidelines for the Multi-Year Subregional Programs (MSP), including definitions for specific types of these projects, pursuant to Section 7c of the Ordinance. Projects submitted for these programs are subject to these definitions, which are provided in these Guidelines. All of the Multi-Year Subregional Program funds are limited to capital projects.

READINESS

~~Given the objective of the Measure M to improve transportation, transit service and ease traffic congestion in the region, the timely use of funds is a foundational principle throughout these Guidelines. As previously stated, it is the fiscal responsibility of Metro to ensure that the taxpayer funds are spent according to the requirements of the Ordinance, but also as quickly as possible to realize the benefits of the Measure M Expenditure Plan as promised for the people of Los Angeles County.~~

~~The Timely Use of Funds principle also applies to the Multi-Year Subregional Programs, where amounts vary over a series of years, depending on sequencing in the Expenditure Plan. They are subject to Measure M Cashflow parameters, and require establishing project readiness to be able to access program funds. In general, project funds can be requested for pre-construction and construction phase of a project. Criteria that will indicate project readiness include:~~

~~For both the pre-construction and construction phase:~~

- ~~○ Project Location/Physical limits—enumeration of the exact intersections, street or other appropriate locations in which work will be performed. The pre-construction phase may include exploratory examinations of such, if applicable and appropriate.~~
- ~~○ Project description—description of deficiency or issue the project will address, including work to be performed, existing constraints to be addressed and identification of the relevant parties or jurisdictions involved in the project.~~
- ~~○ Funding plan—funds to complete the project including phases that will be funded by Measure M funds and those that will be funded by any other fund sources to complete the project.~~
- ~~○ Community/Council Support—Inclusion in a current local agency adopted CIP or equivalent. Documentation must be provided.~~

~~For the Construction Phase, the following additional criteria will also apply:~~

- ~~○ Have attained all required state and federal environmental clearances as applicable; and~~
- ~~○ Have attained 30% design plans if to be delivered under design-build procurement; or~~
- ~~○ Have attained 100% design plans, permits essential to begin construction, and all right-of-way clearances* if to be delivered under design-bid-build procurement; or~~
- ~~○ Schedule — list of phases completed, and proposed schedule for funded phases.~~

~~Procedures for determining project readiness will be established within one year of the adoption of these Guidelines. Procedures will include a requirement that project sponsors notify Metro by last day of February of each year of the amount of Measure M subregional funding they plan to use, by project, in the subsequent fiscal year, which for Metro begins July 1 each year. When notice is not provided, fund availability will be on a first-come, first-served basis in the subsequent fiscal year.~~

USE OF MEASURE M FUNDS

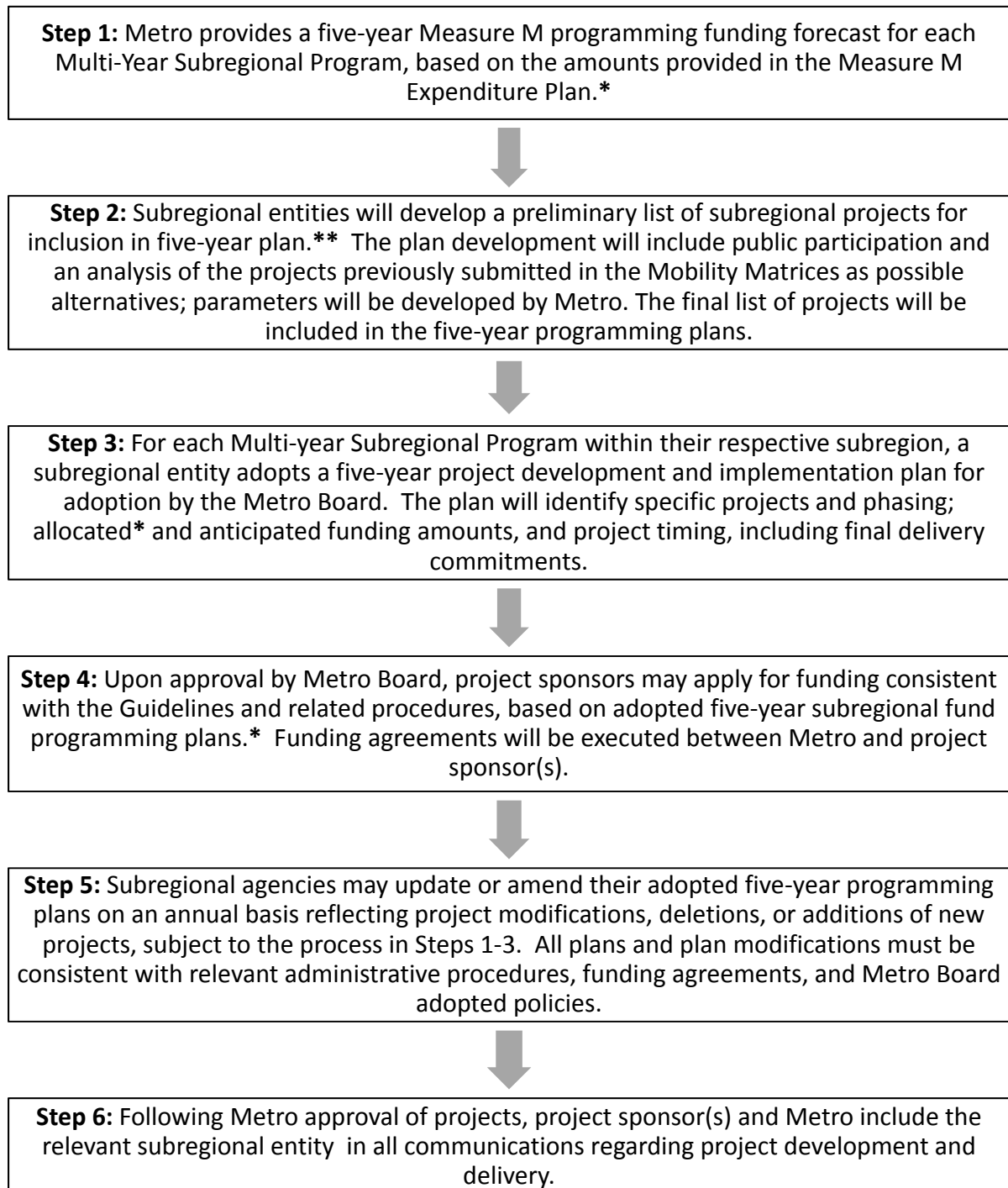
~~The subregional funds within the MSP are subject to the cashflow parameters within these Guidelines. Per the Cashflow provisions in Section ____, Metro Board will consider tools that allow for expediting projects within and among subregional programs. Subregional project sponsors can elect to borrow from one MSP fund amount to accelerate a project in another MSP fund of a different type that may not be available until a later year. This type of inter-program borrowing within the MSP requires approval from Metro and the affected subregion(s).~~

The Multi-year Subregional Programs were based, in part, on projects identified during the Mobility Matrix process prior to the passage of Measure M. Those projects submitted to the Mobility Matrix process are still ~~considered~~ foundational considerations to the Multi-year Subregional Program. Specifically, the projects submitted to the Mobility Matrices are eligible, and the subregions or jurisdictions within the subregions are considered eligible project sponsors. MSP funds can be used to supplement Local Return allocations to support smaller cities subject to the eligibility, process, and availability of funds as described hereafter.

Process

Unless otherwise indicated in these Guidelines, any Multi-year Subregional Program not coded “SC” in Measure M on page 3 of the Expenditure Plan will go through a subregional program development process. The administrative and procedural details for the process will be developed within six months of the adoption of these Guidelines, and will be included with other MSP administrative requirements, including “Readiness” detailed hereafter. However, generally, the development process will follow the steps provided in the following table:

Table IX: Multi-Year Subregional Program (MSP) Project Development Process



**Actual funds disbursement will be based on cashflow policy in the Guidelines. Fund estimates may be adjusted annually by Metro for accuracy. ** Coordination with Metro staff is required to ensure project eligibility in each category. Administrative review procedures will be developed specific to each MSP program area (e.g., Highways, Active Transportation, Transit, etc.), to include plan requirements and eligible use of funds within each MSP program area.*

The plans will:

- Build on prior Mobility Matrix projects as a foundation; with provisions to reconsider the relevance and performance of existing Matrix projects, and the addition of new ones;
- Include meaningful public outreach, which is essential to the success of Multi-year Subregional program development; Metro will develop baseline parameters for effective community engagement; and
- Be adopted by the Metro Board, with provisions for periodic updates/modifications.

Resources to support the steps listed in Table IX can be drawn from MSP funds, not to exceed 0.5% of the amounts for any single year determined in Step 1 of Table IX. Any additional resources to support the steps in Table IX must be drawn from resources under the control of the subregion or its constituent cities.

Supplemental Funds Requirements

If project sponsors are able to fully fund ~~use the Multi-Year Subregional Program funds for projects identified in their 5 year plans, consistent with procedures established within these Guidelines a Mobility Matrix project that is within the available planned funding, and matches the definitions within these Guidelines, then~~ with MSP funds, the project sponsor may proceed to request disbursement of those funds ~~with the project~~. However, if the project requires supplemental Metro support or funding, including Metro staff resources, then the project must comply with all requirements attached to Metro-sponsored or controlled fund sources and policies, as appropriate. For example, if a project using Measure M subregional funds is matched with discretionary fund programs managed by Metro, the project is subject to all evaluation criteria, reporting requirements or other provisions of that discretionary program. This includes any Metro-sponsored Measure M programs identified in these Guidelines (coded as "SC"), as set forth herein. There is no minimal amount of additional Metro investment that would prevent additional Measure M policy requirements. The only exception to this rule is use of Local Return funding from Measures A, C, R or M. Once the Metro supplemental funding request is made, staff will notify project sponsors of policy implications.

As ~~an example~~ an illustration, subregional Active Transportation Programs projects that would request supplemental funds from a Metro managed ATP eligible funding source would need to be consistent with board-adopted/approved policies in mobility, accessibility, safety, community, and sustainability. These include:

- Complete Streets Policy
- Active Transportation Strategic Plan (ATSP)
- First/Last Mile Strategic Plan (FLMSP)
- Urban Greening Plan

Projects and programs utilizing additional assistance or funding are encouraged to comply with the Metro Board adopted Small Business Enterprise (SBE) Program and the Prohibition against Discrimination or Preferential Treatment by State and Other Public Entities.

READINESS

The merits and priority of any project funded by the Multi-year Subregional Program funds not coded “sc” will be determined by the process outlined in Table IX. However, the timing of the actual availability of funds will be determined based on project readiness. The Timely Use of Funds principle applies to the Multi-Year Subregional Programs, where amounts vary over a series of years, depending on sequencing in the Expenditure Plan. They are subject to Measure M Cashflow parameters, and require establishing project readiness to be able to access program funds.

Project readiness will apply to separate phases of a project. Readiness thresholds will be determined for planning, environmental, right of way, and construction, and will be defined as appropriate for each funding category (i.e., Highway, Transit, Active Transportation, etc.). Administrative procedures for determining project readiness will be established within six months of the adoption of these Guidelines.

PROGRAM MANAGEMENT CONSIDERATIONS

The subregional funds within the MSP are subject to the cashflow parameters within these Guidelines. Procedures will include a requirement that project sponsors notify Metro by last day of February of each year of the amount of Measure M subregional funding they plan to use, by project, in the subsequent fiscal year, which for Metro begins July 1 each year. When notice is not provided, fund availability will be on a first-come, first-served basis in the subsequent fiscal year.

Per the Cashflow provisions in Section VI, Metro Board will consider tools that allow for expediting projects within and among subregional programs. Subregional project sponsors can elect to borrow from one MSP fund amount to accelerate a project in another MSP fund of a different type that may not be available until a later year. This type of inter-program borrowing within the MSP requires approval from Metro and the affected subregion(s).

All MSP program areas are subject to the following requirements: Audit(s); Measure M Recognition; Reporting; and Revision of Program Guidelines.

AUDIT REQUIREMENTS

Use of Measure M funds will be subject to audit and oversight, and all other applicable state and local laws.

MEASURE M RECOGNITION

Projects and services funded by Measure M will publicly acknowledge the use of Measure M funds through websites, flyers, signs at projects sites and/or other promotional and marketing materials. The form of recognition will be left to the discretion of Metro in consultation with the recipient agency.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of the Measure M Funds are contributing to accomplishing the program objectives.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors at any time.

X. MULTI-YEAR PROGRAMS (HIGHWAY SUBFUNDS)

~~Multi-Year Highway Subfund Program categories of The Measure M Ordinance under Section 7.c. (Page 13, Lines 13 through 24), identified in the Expenditure Plan (Attachment A to the Ordinance), directs the Metro Board of Directors to “adopt guidelines regarding Multi-Year Subregional Programs identified in Attachment A.” Pertinant to the purposes attached to the Highway Subfund, this section provides detailed definitions for the categories below: The guidelines shall, at a minimum, specify definitions.” for the categories below~~

Highway Subfund Program	Subregion
Highway Efficiency and Operational Improvements	AV, SG, LVM NC, SB
Highway Demand-Based programs (such as HOV connections/extensions)	SG
Multi-Modal Connectivity Projects	AV
Freeway Interchange Improvements	CC
Arterial Street Improvements	NC
Transportation System and Mobility Improvements	SB

~~Detailed definitions are provided in this section. There are several overlapping themes within the Multi-Year Subregional Programs (MSP) and individual projects are not defined in the Ordinance. The Guidelines assign a uniform eligible project definition when applicable to MSP programs with consistent or similar themes. The following activities will need to be undertaken to better define the scope and schedule of future Measure M projects, and must be incorporated into the 5 year plan detailed in Section IX:~~

Pre-construction activities such as preliminary studies, project initiation documents, environmental clearance, design and right of way, to define the purpose and need, project limits and actual total project cost. In the case of highway projects, preliminary/planning studies are limited to development of Project Initiation Documents (PID) for focused projects with the intent to complete the subsequent phases: PAED, PS&E, and complete construction.

Construction-activities derived from completed pre-construction activities. In many cases, total project costs will not be covered by the allocated multi-year subregional program amounts. There may also be insufficient financial resources identified in the expenditure plan to fund all the needs of the proposed subregional improvements. It is expected that local jurisdictions will contribute to total project costs.

~~Subfunds can be used for both pre-construction and construction activities. Highway subfunds are eligible for pre-construction and construction related project phases as referenced in Section IX, and are subject to eligibility criteria and phasing thresholds that will be developed within 6 months as part of the applicable administrative procedures. State of good repair, maintenance and/or beautification projects are not eligible for Highway subfunds.~~

Submittal, review, and approval of projects

All MSP projects (not coded “sc” in the Ordinance Attachment A) funded from the Highway Subfund must be included in the 5 year plans to be developed under the process in Section IX.

In order to conform to project readiness requirements under the Timely Use of Funds provisions of these Guidelines, information will be sought in the following areas prior to programming funds from the Highway Subfund.

- Project sponsor must define the following:
 - Project Location/Physical limits - enumeration of the exact intersections, street or other appropriate locations in which work will be performed.
 - Project description - description of deficiency or issue the project will address, including work to be performed, existing constraints to be addressed and what relevant parties or jurisdictions will be involved in the project.
 - Funding plan – funds to complete the project include phases that will be funded by Measure M funds and those that will be funded by any other fund sources to complete the project.
 - Community/Council Support – Inclusion in a current local agency-adopted CIP or equivalent. Documentation must be provided.
 - Schedule – list of phases completed, and proposed schedule for funded phases.
- ~~Project must have been included on the subregions mobility matrix ; or~~
- ~~If not included on the Mobility Matrix, council of government must adopt the project as a subregional project eligible for Measure M funding;~~
- Metro will review the project application and clarify any items necessary with the project sponsor to determine project readiness and eligibility for pre-construction or construction activities.

A. “Highway Efficiency and Operational Improvements” definition:

Highway Efficiency and Operational Improvements includes those projects, which upon implementation, would improve regional mobility and system performance; enhance safety by reducing conflicts; improve traffic flow, trip reliability, travel times; and reduce recurring congestion and operational deficiencies on State Highways. Similarly, improvements on major/minor arterials or key collector roadways, which achieve these same objectives, within one mile of a State Highway, are also eligible under this category. Highway subfunds are eligible for pre-construction and construction related project phases as referenced in Section IX, and are subject to eligibility criteria and phasing thresholds that will be developed within 6 months as part of the applicable administrative procedures. State of good repair, maintenance and/or beautification projects are not eligible for Highway subfunds.

Example of Eligible Projects:

- System and local interchange modifications
- Ramp modifications/improvements

- Auxiliary lanes for merging or weaving between adjacent interchanges
- Alignment/geometric design improvements
- Left-turn or right-turn lanes on state highways or arterials
- Intersection and street widening/improvements on a State Conventional Highway or within one mile of a state highway
- Turnouts for safety purposes
- Shoulder widening/improvements for enhanced operation of the roadway
- Safety improvements that reduce incident delay
- Freeway bypass/freeway to freeway connections facilitating providing traffic detours in case of incidents, shutdowns or emergency evacuations
- ExpressLanes

B. *“Highway Demand-Based programs” definition:*

Highway Demand-Based programs (such as HOV connections/extensions) include managed-lane projects, which once implemented, would improve regional mobility and enhance safety on the Freeway system. Managed lane projects include high-occupancy vehicle (HOV) lanes, access control or special use lanes, direct access ramps, and high occupancy toll (HOT) lanes, Active Traffic Management (ATM) projects such as Dynamic Lane Control, Hard Shoulder Running, Junction Control, Queue Warning, and related strategies as defined by FHWA.

“Managed lanes” are defined as highway facilities or a set of lanes where operational strategies are proactively implemented and managed in response to changes in traffic/demand conditions. Managed-lane projects should provide motorist with viable travel options/solutions for mobility improvements through managed lanes concepts in congested corridors. Highway subfunds are eligible for pre-construction and construction related work project phases as referenced in Section IX, and are subject to eligibility criteria and phasing thresholds that will be developed within 6 months as part of the applicable administrative procedures. ~~upon demonstrated completion of pre-construction activities.~~ State of good repair, maintenance and/or beautification projects are not eligible for Highway subfunds.

Example of Eligible Projects:

- Freeway-to-freeway HOV/HOT lane connectors
- Extension of HOV lanes on interstates or state freeways
- Access control of exit and entry points
- Grade-separated ramps
- Conversion of HOV lanes to HOT lanes

C. *“Multi-Modal connectivity” definition:*

Multi-Modal connectivity projects include those projects, which upon implementation, would improve regional mobility, network performance, provide network connections, reduce congestion, queuing or user conflicts and encourage ridesharing. Project should encourage and provide multi-modal access based on existing demand and/or planned need and observed

safety incidents or conflicts. Subfunds are eligible for pre-construction and construction related work phases of projects with the restriction outlines under “Pre-Construction Activities” title under Readiness in Section IX. ~~upon demonstrated completion of pre-construction activities~~ State of good repair, maintenance and/or beautification projects are not eligible for Highway subfunds.

Example of Eligible Projects:

- Transportation Center expansions
- Park and Ride expansions
- Multi-modal access improvements
- New mode and access accommodations

D. “Freeway Interchange Improvements” definition:

Freeway Interchange Improvements includes those projects, which upon implementation, would improve regional mobility, system performance, enhance safety by reducing conflicts, improve traffic flow, trip reliability, travel times, and reduce recurring congestion and operational deficiencies on State Highways. Similarly, improvements on major/minor arterials or key collector roadways which achieve these same objectives, within one mile of the State Highway, are also eligible under this category. Highway subfunds are eligible for pre-construction and construction related work phases of projects with the restriction outlines under “Pre-Construction Activities” title under Readiness in Section IX. ~~upon demonstrated completion of pre-construction activities..~~ State of good repair, maintenance improvements and/or beautification projects are not eligible for Highway subfunds.

Example of Eligible Projects:

- Interchange modification/improvements
- Ramp modifications
- Auxiliary lanes for merging or weaving between adjacent interchanges
- Curve corrections/improve alignment
- ~~• Two way left turn or right turn lanes~~
- ~~• Intersection and street widening~~
- Turnouts
- Shoulder widening/improvements
- Safety improvements that reduce incident delay

E. “Arterial Street Improvements” definition:

Arterial Street improvements include those projects, which upon implemented, would improve regional mobility, system performance, enhance safety by reducing conflicts, improve traffic flow, trip reliability, travel times, and reduce recurring congestion and operational deficiencies. Projects must be located on a principal arterial, minor arterial or key collector roadway. The context and function of the roadway should be considered (i.e., serves major activity center(s),

accommodates trips entering exiting the jurisdiction, serves intra-area travel) and adopted in the City's general plan. Highway subfunds are eligible for pre-construction and construction related work phases of projects with the restriction outlines under "Pre-Construction Activities" title under Readiness in Section IX. ~~upon demonstrated completion of pre-construction activities.~~ State of good repair, maintenance improvements and/or beautification projects are not eligible for Highway subfunds.

Example of Eligible Projects:

- Intersection or street widening
- Two-way left-turn or right turn lanes
- ~~Curve Sight distance~~ corrections/improve alignment
- ~~Two-way left turn or right turn lanes~~
- Turnouts
- Safety improvements that reduce incident delay
- Network connectivity multiple modes

F. **"Transportation System and Mobility Improvements"**

Transportation System and Mobility Improvements include those projects that once implemented, would improve regional mobility, enhance trip reliability, system performance, and network connectivity between modes, reduce user conflicts, and encourage ridesharing. Projects must be located on a principal arterial, minor arterial or key collector roadway. The context and function of the roadway should be considered (i.e., serves major activity center(s), accommodates trips entering exiting the jurisdiction, serves intra-area travel) and adopted in the City's general plan. Highway subfunds are eligible for pre-construction and construction related project phases as referenced in Section IX, and are subject to eligibility criteria and phasing thresholds that will be developed within 6 months as part of the applicable administrative procedures. State of good repair, maintenance and/or beautification projects are not eligible for Highway subfunds.

Additional definitions required by the Ordinance for the Guidelines include:

Safe routes to schools: Projects that remove the barriers that currently prevent children from walking or bicycling to school. Those barriers include, but are not limited to, lack of infrastructure (sidewalks, safe passageways), unsafe infrastructure, lack of crosswalks, lack of signalized intersections at or near schools that would provide for safe crossing, and similar deficiencies. There is a State-legislated program referred to as SR2S and a Federal Program referred to as SRTS.

Highway and transit noise mitigations

Highway noise mitigations: Planning, engineering and construction of retrofit noise barriers/soundwalls along the freeways through residential areas to reduce the level of freeway traffic noise exceeding the State and federal thresholds that impact the adjacent properties deemed eligible for soundwalls by Caltrans and federal policies and guidelines.

Transit noise mitigations: similar noise barriers as highway, but along fixed-transit guideway routes.

Streetscape Enhancements and Great Streets: Great Streets concept was initiated by the City of Los Angeles to: 1) Build strong partnerships between communities and the City of Los Angeles; 2) Design streets with a community's vision of how to improve neighborhoods for all people; and 3) Implement projects that transform streets into safe, accessible, and vibrant public spaces in alignment with adopted City of Los Angeles policies.

Traffic Congestion Relief Improvements: Transportation projects that would relieve congestion, improve mobility/level of service, and result in operational improvements along the State Highway System and arterial roadways. These projects include but are not limited to roadway widening, geometric corrections, substantial signal synchronization, carpool lanes, park and ride facilities near freeways served by commuter transit service, dedicated right- and left-turn lanes at major signalized intersections, and other projects with verifiable benefits.

Other Highway Efficiency Program and Traffic Congestion Relief Programs definition may include:

ExpressLanes: LA County's High Occupancy Managed Lanes or priced-managed lanes where HOV lanes are converted to HOT lanes enabling Solo drivers to ride in the lanes by paying a toll while HOVs with the appropriate vehicle occupancy travel free of charge.

Eligibility for ExpressLanes:

All aspects of ExpressLanes projects including design, planning, development, outreach, construction and implementation of ExpressLanes and connectors consistent with the Metro Countywide ExpressLanes Strategic Plan are eligible. The Strategic Plan may be updated on an ongoing basis to reflect changes including project acceleration and funding availability. Proposed projects must be coordinated with Metro's Congestion Reduction Department. Once constructed, the ExpressLanes will be operated by Metro based on adopted business rules.

All freeway-to-freeway interchange projects and major freeway improvement project initiation documents and PAEDs funded through Measure M must consider an ExpressLanes alternative for corridors identified in the Metro Countywide ExpressLanes Strategic Plan.

Freeway Service Patrol (FSP) - This is a congestion mitigation program with roving tow and service trucks which assist and/or remove disabled vehicles off the freeway to a designated safe location. The program maximizes safety by reducing the incidence of secondary accidents and minimizes delay through quick removal of disabled vehicles.

Eligibility: Freeway Service Patrol

- Expansion of the Freeway Service Patrol (regular and big rig) programs beyond current corridors and hours of operation.
- Provision of FSP services within corridors under construction to facilitate safety.

**~~I-605 CORRIDOR HOT SPOT INTERCHANGE IMPROVEMENTS (GATEWAY COG)
I-605/I-10 INTERCHANGE (SAN GABRIEL VALLEY COG) OR SOUTH BAY HIGHWAY
OPERATIONAL IMPROVEMENTS~~**

Definitions may include:

~~ExpressLanes LA County's High Occupancy Managed Lanes or priced managed lanes where HOV lanes are converted to HOT lanes enabling Solo drivers to ride in the lanes by paying a toll while HOVs with the appropriate vehicle occupancy travel free of charge.~~

Eligibility for ExpressLanes:

~~All aspects of ExpressLanes projects including design, planning, development, outreach, construction and implementation of ExpressLanes and connectors consistent with the Metro Countywide ExpressLanes Strategic Plan are eligible. The Strategic Plan may be updated on an ongoing basis to reflect changes including project acceleration and funding availability. Proposed projects must be coordinated with Metro's Congestion Reduction Department. Once constructed, the ExpressLanes will be operated by Metro based on adopted business rules.~~

~~All freeway-to-freeway interchange projects and major freeway improvement project initiation documents and PAEDs funded through Measure M must consider an ExpressLanes alternative for corridors identified in the Metro Countywide ExpressLanes Strategic Plan.~~

XI. INTELLIGENT TRANSPORTATION SYSTEMS AND TRANSPORTATION TECHNOLOGY IMPROVEMENTS

The following are Policy and Procedure guidelines for Intelligent Transportation Systems (ITS) and Transportation Technology Improvements listed under Section 7.c (Page 13, Lines 13 through 24) and Multi-Year Subregional Program #84 (ITS/Transportation Technology – San Gabriel Valley) in Attachment A of the Measure M - Los Angeles County Traffic Improvement Plan.

Definition:

ITS elements provide a set of strategies that include technology systems, communications, and information technology applications to the transportation system for alleviating traffic congestion, improving transit operations, enhancing safety, improving mobility, and promoting environmental sustainability. ITS elements are often installed on vehicles (e.g., passenger car, transit, freight/commercial trucks), arterials/highways (infrastructure), and/or provided to individuals through handheld devices. [Note: Since the Ordinance does not clearly stipulate a difference between ITS and Transportation Technology projects, they will be viewed similarly and the requirements for each category will be the same.]

The National ITS Architecture provides best practice guidance on ITS projects, and also identifies a set of eight bundled user services for ITS strategies (travel and traffic management, public transportation management, electronic payment, commercial vehicle operation, emergency management, advanced vehicle safety systems, information management, and maintenance and construction management).

Requirements:

ITS and Transportation Technology projects will be eligible for funding under multiple transit and highway multi-year subregional programs, and therefore, must also conform to the general Highway and Transit Subregional Programs Measure M policies and procedures as well as any additional specific guidelines developed to support Measure M (Attachment A).

Eligible Projects

Examples of eligible ITS and Transportation Technology projects include:

- Multi-agency/jurisdiction system integration to improve coordination and responsiveness, and promote information sharing for highway/arterial and/or transit systems;
- Advanced Traveler Information Systems (ATIS) that increase efficiency of the transportation network through congestion management, driver/person information, freight optimization, or public transportation management;

- Integrated Corridor Management (ICM) deployment (e.g., changeable message signs, CCTV, communications) to improve multi-agency coordination and responsiveness, promote information sharing, and enhance operations in the event of incidents;
- Transportation technology applications/solutions/systems for passenger cars, transit, freight/goods movement, infrastructure, and persons to enhance the transportation network;
- Connected vehicle concepts (Vehicle to vehicle [V2V], vehicle to infrastructure [V2I], vehicle to person [V2P]) to enhance mobility, safety, and operations of the highway/arterial and/or transit system;
- ITS or Transportation Technology projects consistent with the National ITS Architecture (travel and traffic management, public transportation management, electronic payment, commercial vehicle operation, emergency management, advanced vehicle safety systems, information management, and maintenance and construction management);
- Other ITS or Transportation Technology projects deemed qualified by Metro; and
- Pilot/demonstration projects that promote innovative and advanced technology on the highway/arterial system and/or transit reviewed and approved by Metro on a case-by-case basis.

All ITS and Transportation Technology projects shall comply with the latest version of the Los Angeles County Regional ITS Architecture to ensure institutional agreement and maximize technical integration opportunities. In addition, all Connected Vehicle projects shall reference the latest version of Connected Vehicle Reference Implementation Architecture (CVRIA) for industry standards.

Project Initiation and Delivery Requirements

ITS and Transportation Technology projects shall conform to the following requirements to ensure consistency with regional/state/national ITS policy and guidelines and industry standards and procedures.

- All projects shall be delivered using a generally accepted systems engineering approach to maintain the integrity and quality of completed projects.
- Operations and maintenance plans shall be developed for all ITS projects. For multi-jurisdictional projects, multi-agency agreements shall be executed committing to the long-term operations and maintenance of shared project elements.
- Data derived from ITS system projects shall be shared through the Regional Integration of ITS (RIITS) network to support regional transportation planning and operations.
- Projects shall adhere to existing Metro guidelines for specific subprograms as applicable.
- Traffic control projects shall connect to the Los Angeles County Information Exchange Network (IEN) to facilitate multi-jurisdictional traffic management and coordination.
- Projects will be coordinated through the Arterial ITS Committee, the Coalition for Transportation Technology, the Regional Integration of ITS Configuration Management Committee, and/or other appropriate and recognized forums to ensure consistency with local, subregional and regional ITS plans.

- Through the implementation process and upon completion of projects funded by Measure M funds, project sponsors will work with Metro to document project delivery risks, design and implementation challenges, institutional requirements, and lessons learned to enhance project implementation success countywide.
- ITS and Transportation Technology pilot projects implementing new and innovative concepts will be closely monitored by Metro and will require a “Before and After” study to assess overall benefits achieved.

**XII. ACTIVE TRANSPORTATION (NORTH COUNTY, GATEWAY CITIES, LAS
VIRGENES, MALIBU)**

FIRST/LAST MILE (WESTSIDE AND SAN GABRIEL VALLEY SUBREGIONS)

GREENWAY PROJECTS (SAN GABRIEL VALLEY)

GREAT STREETS

POLICY CONSIDERATIONS

The subregional programs were based, in part, on projects identified during the Mobility Matrix process prior to the passage of Measure M. Those projects submitted to the Mobility Matrix process are still considered foundational to the Multi-year Subregional Program. Specifically, the projects submitted to the Mobility Matrix are eligible, and the subregions or jurisdictions within the subregions are considered eligible project sponsors.

~~Metro encourages the~~ The above-referenced Subregional Programs ~~to consider~~ shall comply with the Metro Policies listed below. Note especially that the Supplemental Fund provisions listed on page ____ apply to these MSP funds.

Metro Board Policy or Plan	Relevance	Date Approved/ Adopted
Active Transportation Strategic Plan (ATSP)	Defines Regional Active Transportation Network. Provides data and tools for planning, project identification, and implementation. Commits regional support programs including metrics.	May 2016
Complete Streets Policy	Creates requirement for local Complete Streets policies applicable capital grant programs. Establishes Complete Streets commitments and planning process for Metro. Provides for Metro training of local agencies.	Oct 2014
Countywide Sustainability Planning Policy (CSPP)	Defines sustainability principles and priorities, key concepts, planning framework, and evaluation metrics. Requires Sustainable Design Plan for Call for Projects recipients.	Dec 2012
First/Last Mile Strategic Plan	Describe rationale, benefits for First/Last Mile improvements. Establishes planning methodology, case	Apr 2014

Metro Board Policy or Plan	Relevance	Date Approved/ Adopted
	studies, toolkit of improvements.	
Motion 14.1 (First/Last Mile)	Designates streets within the Active Transportation Strategic Plan's (ATSP) 661 transit station areas as the Countywide First/Last Mile Priority Network. Directs Metro activity for First/Last Mile planning and implementation.	May 2016
Motion 14.2 (First/Last Mile)	Allows locally funded First/Last Mile improvements to be counted toward 3% match requirement, subject to executed agreements, a Metro-prepared plan, and subsequent Guidelines governing integration of first/last mile in transit capital projects.	June 2016
Motion 22.1 Next Steps for Implementing the Countywide Bikeshare Program	Creates criteria for funding of local bikeshare programs focused on inter-operability.	
Urban Greening Plan and Implementation Action Plan	Provides tools/best practices for pursuing urban greening and place-making improvements at or near transit stations. Accompanied by Implementation Action Plan committing further planning tools and demonstration projects.	Implementation Action Plan Approved Jan 2016

DEFINITIONS

Active Transportation: non-motorized transportation via walking, bicycling, or rolling modes.

Eligible Projects

Capital improvements that further the goals outlined in the Metro Board-adopted Active Transportation Strategic Plan:

- Improve access to transit;
- Establish active transportation as integral elements of the countywide transportation system;

- Enhance safety, remove barriers to access or correct unsafe conditions in areas of heavy traffic, high transit use, and dense bicycle and pedestrian activity;
- Promote multiple clean transportation options to reduce criteria pollutants and greenhouse gas emissions and improve air quality; and
- Improve public health through traffic safety, reduced exposure to pollutants, design infrastructure that encourage residents to use active transportation as a way to integrate physical activity in their daily lives.

First/Last Mile (FLM): Infrastructure, systems and modes of travel used by transit riders to start or end their transit trips. This includes, but is not limited, to infrastructure for walking, rolling, and biking (e.g., bike lanes, bike parking, sidewalks, and crosswalks), shared-use services (e.g., bike share and car share), facilities for making modal connections (e.g., kiss and ride and bus/rail interface), signage and wayfinding, and information and technology that eases travel (e.g., information kiosks and mobile apps).

Eligible Projects

Improvements include, but are not limited to: ADA-compliant curb ramps, crosswalk upgrades, traffic signals, bus stops, carshare, bikeshare, bike parking, context-sensitive bike infrastructure, signage/wayfinding, crossing enhancements and connections, safety and comfort, allocation of street space, and plug-in components.

Green Streets: Urban transportation rights-of-way integrated with stormwater treatment techniques that use natural processes and landscaping. Quantitatively demonstrate that they capture and treat stormwater runoff from their tributary watershed through infiltration or other means, and are included within the respective Enhanced Watershed Management Plan.

Eligible Projects

Green Infrastructure includes: Cost-effective, resilient approach to managing wet-weather impacts that provides many community benefits. Reduces and treats stormwater at its source while delivering environmental, social, and economic benefits.

Greenway: A pedestrian and bicycle, nonmotorized vehicle transportation, and recreational travel corridor.

Eligible Projects

Examples meet the following requirements:

- Includes landscaping that improves rivers and streams, provides flood protection benefits, and incorporates the significance and value of natural, historical, and cultural resources, as documented in the local agency's applicable planning document.
- Is separated and protected from shared roadways and is adjacent to an urban waterway, with an array of amenities.
- Is located on public lands or private lands, or a combination of both, with public access to those lands for greenway purposes.

- Reflects design standards that are applicable for each affected local agency, as documented in the local agency's applicable planning document.
- May incorporate appropriate lighting, public amenities, art, and other features that are consistent with a local agency's planning document.
- For purposes of these Guidelines, Greenway further refers to facilities that are planned as part of a network for a multi-jurisdictional subregional area, that are primarily off-street.

Mobility Hub: Provides services that bridge the distance between a transit station and an individual's origin or destination by providing mobility options at major transit stations and stops. Mobility hubs provide "on-demand" transportation services to address first/last mile connections to public transit.

Eligible Projects

Once operational, these mobility hubs offer an integrated menu of options for customers, which can include secure bicycle storage facilities, bike share, car share, personal lockers, electric vehicle charging stations, bicycle repair stations, electronic signage of real-time transit arrival information, and departure transit information.

Great Streets: Definition and eligibility shall be defined as part of the administrative procedures development, and must be consistent with Metro policy and the policies of the project(s) project sponsor.

XIII. TRANSIT MULTI-YEAR SUBREGIONAL PROGRAMS

INTRODUCTION

These following four categories of Multi-Year Subregional Program (MSP) are Transit: Street Car Circulator Projects (SC/Metro Administered); Bus System Improvements (SG); Bus Rapid Transit Capital Improvements (SFV); and Public Transit State of Good Repair (CC). These four programs are only distinguished from the other MSP project types in previous sections by the fund source, specifically transit fund versus highway fund. All general MSP policies, including but not limited to those detailed in Section IX, from these Guidelines apply equally to both Transit MSP and Highway MSP. All MSP funds are for capital projects.

STREET CAR CIRCULATOR PROJECTS (SC)

These funds will be competitive countywide for capital projects. The project funds will not be used for operational expenses, and will not be used on any projects with incomplete funding plans. Definition of street car and circulator projects, as well as eligibility criteria will be determined as part of establishing the competitive process. The details and criteria for such a process will be drafted within one year of the adoption of these Measure M Guidelines.

BUS SYSTEM IMPROVEMENTS (SG)

These funds are for bus system improvements. Consistent with provisions for other MSP projects, these improvements should be previously identified in the Mobility Matrix, and will be subject to Fund Restriction/Supplemental Fund provisions. The project will be subject to readiness requirements as noted in Sections I and IX and cashflow availability per Section VI. Additionally, eligibility applies to direct costs (excluding administration) associated with purchased transportation services needed to support a capital project.

BUS RAPID TRANSIT CAPITAL IMPROVEMENT

The ordinance requires a definition for this term, but currently there is no program listed as such in the Multi-year Subregional Program portion of the Expenditure Plan. These funds are for bus rapid transit (BRT) capital improvements. For a description of BRT features and other criteria description, see subsequent Countywide BRT Expansion section of Guidelines. Metro will be the lead agency for this project, and it will be subject to Countywide BRT design criteria when adopted. The project(s) will be subject to readiness requirements and cashflow availability.

PUBLIC TRANSIT STATE OF GOOD REPAIR (CC)

These funds are for public transit state of good repair in the Central City Subregion. Eligible state of good repair capital investments include: Capital Asset Replacement; Capital Asset

Rehabilitation; and Capital Improvements when required by changed regulations and standards. MSP projects and improvements should be previously identified in the Mobility Matrix in order to avoid additional Metro restrictions on eligibility of projects. The project will be subject to readiness requirements and cashflow availability.

AUDIT REQUIREMENTS

Use of Measure M funds will be subject to audit and oversight, and all other applicable state and local laws.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of the Measure M Funds are contributing to accomplishing the program objectives.

MEASURE M RECOGNITION

Projects and services funded by Measure M will publicly acknowledge the use of Measure M funds through websites, flyers, or other promotional and marketing materials. The form of recognition will be left to the discretion of Metro in consultation with the recipient agency.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

XIV. METRO ACTIVE TRANSPORTATION (2%)

Overarching Policies

The following policies will be applied to administration of the Metro Active Transportation Program (2%) as part of the determination of eligibility. Specific administrative program procedures will be developed and adopted by the Metro Board within one year of the adoption of these Measure M Guidelines.

Active Transportation Strategic Plan

The Active Transportation Strategic Plan identifies the Regional Active Transportation Network including specified regional corridor projects and outlines Metro's overall strategy for funding and supporting implementation of active transportation infrastructure and programs in Los Angeles County; identifies strategies to improve and grow the active transportation network, expand the reach of transit, and develop a regional active transportation network to increase travel options.

First/Last Mile Policies

Metro First/Last Mile policies include the First/Last Mile Strategic Plan (2014) which describes the rationale for first/last mile improvements and proscribes an approach to plan and design improvements surrounding any transit station. Metro Board Motions 14.1 (May 2016) and 14.2 (June 2016) collectively designate locations studied in the ATSP as the First/Last Mile Priority Network and commits specific activities to implement first/last mile improvements countywide.

Bike Share Policies/Motion 22.1

Board Motion 22.1 (July 2015) defines next steps for implementation of the regional bike share system.

Design for Safety/Vision Zero

Projects funded with Measure M funds, including Active Transportation 2%, should support the protection of pedestrian and bicycle safety in line with "Vision Zero" or equivalent policies. The Active Transportation 2% program will include as eligible projects local road/arterial improvements that are expressly designed to enhance safety for pedestrians and bicyclists.

Funding Availability

Funding availability will be determined by the Cashflow policy, ~~as well as the projections of the TFP.~~ Criteria will be brought forth within one year of the adoption of these Guidelines, to establish a competitive process and fund schedule for award projects within this program.

The LA River Waterway and System Bikepath project is to be funded with the Active Transportation 2% funding. Any future funding in this program will include calculations based on this commitment.

RESERVE/CARRYOVER REQUIREMENTS

Metro's goal will be to spend or allocate these funds in a timely manner. However, Metro may reserve or carryover some or all of its allocation to the next fiscal year if necessary.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of Measure M System Active Transportation ~~Connectivity Projects (Highway Construction (2%))~~ funds are contributing to accomplishing the program objectives.

AUDIT REQUIREMENTS

Use of these funds will be subject to audit and oversight as determined by Measure M and all other applicable state and local laws. Metro will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

XV. 2% SYSTEM CONNECTIVITY PROJECTS (HIGHWAY CONSTRUCTION SUBFUND)

INTRODUCTION

These guidelines summarize the funding policies and administrative procedures for Measure M 2% System Connectivity Projects (Highway Construction) for the Los Angeles County Metropolitan Transportation Authority (Metro).

PROGRAM OBJECTIVES

The Measure M Ordinance references the System Connectivity Projects as part of the overall 17% Highway Construction Program. In the Measure M Ordinance the System Connectivity Projects category includes “Ports, Highway Congestion Programs, [and] Goods Movement.”

The purpose of this Measure M System Connectivity Projects (Highway Construction) program is as follows:

- A. Provide a funding opportunity for cost-effective projects that are included in the Metro Goods Movement Strategic Plan with the goal of improving the movement of goods throughout the Los Angeles County transportation network, with additional consideration focused on the mitigation of environmental and highway congestion impacts associated with goods movement.
- B. Leverage additional private sector, local, state, or federal dollars for the purposes of implementing goods movement-related projects.
- C. Because these funds are coded “SC” in the Ordinance and are under the allocation purview of Metro, the Guidelines are assigning priority to goods movement related investments, and “highway congestion programs” must have a nexus thereto.

ALLOCATION METHODOLOGY

Funds will be allocated to Metro for administration, and Metro shall determine on a five-year basis, based on cashflow~~and the TFP~~, how much funding will be made available for this program, and through an application process to eligible recipients. Funding commitments may be programmed and allocated over multiple years if necessary.

Funding Availability

Funding availability for the Highway Systemwide Connectivity 2% program will be determined by the Cashflow policy~~including the projections of the TFP~~. Criteria will be brought forth within one year of the adoption of these Guidelines to establish a competitive process and fund schedule for award projects within this program. The Measure M Expenditure Plan already includes the I-710 South Phase 1 and 2, and the I-105 ExpressLane Projects which are to be

funded with the Highway 2% System Connectivity program. Any future funding in this program will include the calculations necessary to meet these Expenditure Plan commitments.

ELIGIBLE RECIPIENTS

All implementing public agencies are eligible to apply for available funding, including but not limited to the following:

- Port of Long Beach
- Port of Los Angeles
- Alameda Corridor-East Construction Authority
- Los Angeles County
- Cities in Los Angeles County
- Metro
- Airports

ELIGIBLE USES

Metro is preparing a Goods Movement Strategic Plan which will, among other purposes, provide the foundation for a competitive program for this System Connectivity funding. Projects and programs must be included in the Metro Goods Movement Strategic Plan to be considered eligible to receive funding from the System Connectivity Projects (Highway Construction) Program. Administrative procedures for the competitive funding program will be developed within one year of adoption of the Strategic Plan.

Eligible expenses include, but are not limited to, the implementation and/or construction of the following:

- Highway or rail projects with a clearly identified goods movement purpose
- System connectivity projects linking the regional transportation system to goods movement facilities (seaports, airports, distribution/logistics centers, etc.)
- Technology or innovation projects designed to improve the movement of goods and air quality associated with goods movement
- Highway/rail-grade separation projects
- Projects on Port-owned facilities that will improve the efficiency and capacity for the movement of freight through Los Angeles County
- Projects that promote sustainable freight practices
- Studies designed to identify challenges to, trends within, and strategic planning efforts associated with the movement of goods within Los Angeles County

- Regional Integration of Intelligent Transportation Systems (RIITS) related system improvements, integrations, platforms and connections (e.g., Metro's video wall or Southern California 511 Traveler Information Systems)
- ExpressLanes projects, where HOV lanes are converted to HOT lanes, including design, planning, development, outreach, construction and implementation of ExpressLanes and connectors consistent with the Countywide ExpressLanes Strategic Plan
- Freeway Service Patrol (FSP) - a congestion-mitigation program with roving tow and service trucks which assist and/or remove disabled vehicles off the freeway

RESERVE/CARRYOVER REQUIREMENTS

Metro's goal will be to spend or allocate these funds in a timely manner. However, Metro may reserve or carryover some or all of its allocation to the next fiscal year if necessary.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of Measure M System Connectivity Projects (Highway Construction) funds are contributing to accomplishing the program objectives.

AUDIT REQUIREMENTS

Use of these funds will be subject to audit and oversight as determined by Measure M and all other applicable state and local laws. Metro will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

MEASURE M RECOGNITION

Projects and services funded by Measure M will publicly acknowledge the use of Measure M funds through websites, flyers, or other promotional and marketing materials. The form of recognition will be left to the discretion of Metro in consultation with the recipient agency.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

XVI. 2% SYSTEM CONNECTIVITY PROJECTS (TRANSIT CONSTRUCTION SUBFUND)

INTRODUCTION

These guidelines summarize the funding policies and administrative procedures for Measure M 2% System Connectivity Projects (Transit Construction) for the Los Angeles County Metropolitan Transportation Authority (Metro).

PROGRAM OBJECTIVES

The Measure M Ordinance references the System Connectivity Projects as part of the overall 35% Transit Construction Program. In the Measure M Ordinance the System Connectivity Projects category includes “Airports, Union Station, and Countywide BRTs”.

ALLOCATION METHODOLOGY

Funds will be allocated to Metro for administration, and Metro shall determine on a five-year basis, based on cashflow ~~and the TFP~~, how much funding will be made available for this program, and through an application process to eligible recipients. Funding commitments may be programmed and allocated over multiple years if necessary.

Funding Availability

Funding availability for the Transit Systemwide Connectivity 2% program will be determined by the Cashflow policy ~~including the projections of the TFP~~. Criteria will be brought forth within one year of the adoption of these Guidelines to establish a competitive process and fund schedule for award projects within this program. The Measure M Expenditure Plan already includes the Airport Metro Connector, Crenshaw/LAX Track Enhancements (cap over tracks at LAX runway), North San Fernando Valley Bus Rapid Transit Improvements and the Countywide BRT Expansion projects, which are to be funded with the Transit 2% System Connectivity program. Any future funding in this program will include the calculations necessary to meet these Expenditure Plan commitments.

ELIGIBLE USES

Eligible uses, evaluation criteria, and procedures for the competitive funding program will be developed within two years of adoption of the Guidelines.

RESERVE/CARRYOVER REQUIREMENTS

Metro’s goal will be to spend or allocate these funds in a timely manner. However, Metro may reserve or carryover some or all of its allocation to the next fiscal year if necessary.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of Measure M System Connectivity Projects (Highway Construction) funds are contributing to accomplishing the program objectives.

AUDIT REQUIREMENTS

Use of these funds will be subject to audit and oversight as determined by Measure M and all other applicable state and local laws. Metro will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

XVII. VISIONARY PROJECT SEED FUNDING

Measure M makes \$20 million available over 40 years (FY2018-FY2057) to be used for “Visionary Project Seed Funding.” This document provides a set of guidelines for how that funding will be distributed.

Summary

Mobility is changing rapidly. Every day there are new solutions to old transportation challenges, new innovative business models to facilitate improved services, and new technological approaches designed to improve the equity and access of mobility.

LA Metro’s Visionary Project program is aimed at identifying and testing those solutions in Los Angeles County. The Visionary Project program seeks to identify the most cutting-edge, research-based mobility solutions to our specific challenges, and to use Los Angeles County as a test-bed to prove those concepts. LA Metro is specifically interested in projects that include developing, testing, and deploying new mobility approaches and new technologies.

Available Funding

LA Metro will make \$1.5 million available every three years through a competitive grant process.

Eligible Applicants

LA Metro, Municipal Operators, and Local Operators are all eligible for consideration for this award. Eligible applicants should identify one or more research partner(s) to ensure rigorous analytics are applied. Applicants are also encouraged to consider additional project partners with substantial interest and involvement in the project. Eligible partners under this program may include, but are not limited to:

- Private for-profit and not-for-profit organizations
- Operators of transportation services
- State or local government entities
- Academic institutions

Eligible Projects

Generally, eligibility is broad, beyond the requirement that projects be visionary and innovative. Specific eligibilities will be defined as part of the project selection criteria and process. Project concepts should be developed in partnership with local research institutions but targeted towards the development and deployment of pioneering transportation solutions. Research-based solutions should address at least one of the following transportation goals:

- Safety or security improvements
- Substantial improvements in travel time and customer experience

- Major reductions in emissions or other environmental externalities
- Improvements in access for disadvantaged populations

Selection Criteria

Criteria and selection process will be developed and adopted within one year of the adoption of these Guidelines. Criteria may consider, but is not limited to, the following:

1. **Impact and Outcomes.** Applicants may be expected to identify goals that their project seeks to achieve for Los Angeles County.
2. **Project Approach.** Applicants may be expected to define the scope and approach of their proposed pilot project and research.
3. **Team Capacity and Commitment.** Applicants may be expected to detail the team and its capacity to complete the project. LA Metro will also expect a letter of commitment from participating research institutions.
4. **Business Model Designed to Scale.** Applications should include information on how the applicant agency seeks to scale the project upon the pilot's success.

Cost Sharing or Matching

The grant funded share of this project is limited to 60 percent. The transportation operator in partnership with the affiliated research institution will be expected to identify sources for a local share of net project cost in cash or in-kind.

RESERVE/CARRYOVER REQUIREMENTS

Metro's goal will be to spend or allocate these funds in a timely manner. However, Metro may reserve or carryover some or all of its allocation to the next fiscal year if necessary.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of Measure M Visionary Project Seed funds are contributing to accomplishing the program objectives.

AUDIT REQUIREMENTS

Use of these funds will be subject to audit and oversight as determined by Measure M and all other applicable state and local laws. Metro will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

XVIII. COUNTYWIDE BRT EXPANSION

In December 2013, Metro completed the Los Angeles County Bus Rapid Transit (BRT) and Street Improvement Study. BRT has the potential to increase transit access, improve regional mobility, reduce transportation costs and ease commutes. Key BRT features include, but are not limited to, the following:

- More frequent service with limited stops;
- Peak-period or full-time dedicated bus lanes;
- Transit signal priority;
- Branded vehicles/stations;
- Customer friendly stations/stops;
- Real-time bus arrival information; and
- All-door boarding.

Metro will revisit the proposed BRT corridors identified in the 2013 in an updated study to be completed within 24 months of the adoption of the Measure M Guidelines. The updated study will also evaluate additional corridors throughout Los Angeles County from the Mobility Matrix process and/or any potential corridors that may fill any missing gaps in the countywide BRT network, excluding those already funded.

Eligible Projects

These funds are eligible for BRT projects in Los Angeles County, including non-Metro transit providers. The updated BRT study will establish metrics for BRT system performance, including, but not limited to, corridor travel time savings, improved bus speeds, potential for ridership increases, and reduced dwell times. The study will also establish a proposed sequencing or prioritization of BRT projects based on performance, regional balance, and available funding. Metro will also establish a set of standard design guidelines/criteria as well as performance metrics. Subsequent to the completion of the updated study, Metro will adopt a Phase 1 and Phase 2 prioritized BRT project sequence list based on performance metrics, regional balance, and available funding. ~~As part of the Phase 1 and Phase 2 list adoption, Metro will establish design guidelines and additional BRT criteria.~~ Once finalized, the BRT study and its elements will provide the foundation for the assignment of Measure M funds made available for this program. Procedures for that assignment will be amended by reference to the Guidelines once adopted. The procedures will also include the definition of “Bus Rapid Transit (BRT) Capital” under Measure M.

RESERVE/CARRYOVER REQUIREMENTS

Metro’s goal will be to spend or allocate these funds in a timely manner, once allocations are made. However, Metro may reserve or carry over some or all of its allocation to the next fiscal year if necessary.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of Measure M Countywide BRT Expansion funds are contributing to accomplishing the program objectives.

AUDIT REQUIREMENTS

Use of these funds will be subject to audit and oversight as determined by Measure M and all other applicable state and local laws. Metro will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

XIX. SUBREGIONAL EQUITY PROGRAM

INTRODUCTION

At the June 2016 Board Meeting, Director Fasana introduced an amendment to the expenditure plan to provide funding to all subregions equivalent to the allocation approved by the Board for the San Fernando Valley Transit project. The San Fernando Valley project was identified as \$180 million (FY15\$).

“FASANA AMENDMENT to Motion 49.2 (June 23, 2016): To provide equivalent funding based on the original allocation of funding (i.e., \$180 million is 13% of such funding based on the San Fernando Valley’s share) to each of the other subregions to assure and maintain equitable funding (i.e., Subregional Equity Program).”

The funding for programs in other sub-regions outside of San Fernando Valley are now collectively referred to as the Subregional Equity Program. Footnote “s” from the Measure M Ordinance provides guidance as identified below:

“ This project will increase system connectivity in the North San Fernando Valley and the Metro Transit System. Environmental plan work shall begin no later than six months after passage of Measure M. To provide equivalent funding to each subregion other than the San Fernando Valley, the subregional equity program will be provided as early as possible to the following subregions in the amounts (in thousands) specified here: AV \$96,000; W* \$160,000; CC* \$235,000; NC* \$115,000; LVM* \$17,000; GC* \$244,000; SG* \$199,000; and SB* \$130,000.”*

Considerations for developing this Program:

1. Funding will be identified from either Measure M or other available sources as soon as available.
2. The Subregional Program Process outlined in Section IX will incorporate the Subregional Equity Program.
3. Other funds can be used to satisfy funding requirements with concurrence by the subregion.

ALLOCATION METHODOLOGY

Funding for this program will be identified as part of the Cashflow Management evaluation. The funds identified may be any combination of federal, state, or Metro controlled funds including, but not limited to, Measure M. Prior to each five-year review Countywide Planning will provide a forecast of the amount of funding, if any, that is forecasted to be available for this program over the subsequent five-years. Once funding is identified, each subregion will be afforded an opportunity to submit their project to Metro staff for evaluation based on project readiness provisions outlined in these Guidelines. ~~In the interim, projects will be considered on a first-~~

~~come, first-served basis provided the sponsor can prove the project is ready to go to construction.~~

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of the Subregional Equity Program funds are contributing to accomplishing the program objectives.

AUDIT REQUIREMENTS

Use of these funds will be subject to audit and oversight as determined by Measure M and all other applicable state and local laws. Metro will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

MEASURE M RECOGNITION

Projects and services funded by Measure M will publicly acknowledge the use of Measure M funds through websites, flyers, or other promotional and marketing materials. The form of recognition will be left to the discretion of Metro in consultation with the recipient agency.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

XX. 1%-2% REGIONAL RAIL

INTRODUCTION

Measure M was approved by the voters of Los Angeles County on November 8, 2016 to improve transportation and ease traffic congestion consistent with the Measure M Ordinance. These guidelines summarize the funding policies and administrative procedures for the Measure M 1% Regional Rail program, including the required metrics to increase the allocation from 1% to 2% beginning in 2039. These funds shall not be eligible for Los Angeles County Metropolitan Transportation Authority (Metro) operated bus, light rail, or heavy rail transit services.

PROGRAM OBJECTIVES

As defined in Section 3 of the Measure M Ordinance, Regional Rail “means regional commuter rail service within Los Angeles County, including operating, maintenance, expansion, and state of good repair.”

Regional commuter rail services in Los Angeles County are currently provided on behalf of Metro by the Southern California Regional Rail Authority (SCRRA) under the brand name Metrolink. The SCRRA is a Joint Powers Authority (JPA) representing the transportation commissions of Los Angeles, Orange, Riverside, San Bernardino and Ventura counties in which Metro is a Member Agency. Metrolink trains operate across a six-county network, which includes a portion of northern San Diego County.

PROGRAM AMOUNT AND ALLOCATION PERIOD

This is a program funded by the Measure M sales tax with no sunset, beginning on July 1, 2017. Every year Metro shall allocate 1% of all net revenues derived from the tax for investment in regional commuter rail activities.

ALLOCATION METHODOLOGY

Funds will be allocated annually at the discretion of, and in amounts determined by, the Metro Board of Directors.

ELIGIBLE RECIPIENTS

The Los Angeles County Metropolitan Transportation Authority for Commuter Rail Investments in or benefitting Los Angeles County, and the Southern California Regional Rail Authority, or its successor.

ELIGIBLE USES

Eligible expenses include the costs of regional commuter rail operations and services for Los Angeles County. Examples of eligible expenses include operations, maintenance, system expansion, state of good repair, capital projects, feasibility studies and any other expenses that will contribute to meet the program objectives.

FUNDING EXPANSION

Section 7 of the Measure M Ordinance includes the provision that, “no earlier than July 1, 2039, the Metro Board of Directors shall increase the percentage of Net Revenues allocated to the Regional Rail program from 1% to 2% provided that the recipients satisfy certain performance criteria, which shall be adopted by the Metro Board of Directors.”

Performance criteria shall be periodically reviewed by the Board. This review will include the evaluation of Operating, Cost Containment, and Investment criteria outlined below goals.

Operating goals shall include the ongoing evaluation attainment of the following standards:

- Service Reliability and On-Time-Performance (OTP): The operator of regional commuter rail services in Los Angeles County shall maintain an average OTP of not less than 90% of scheduled operations measured on a rolling 24 month average.
- ~~Achievement of less than 20 train delays per month due to Mechanical Issues as defined in the SCRRA’s adopted Strategic Plan.~~
- ~~Grow~~ The growth and retention of retain ridership based on three (3) year average ridership changes. As a comparable industry benchmark, the Board shall consider that are at or above the average of the top 10 commuter rail operators as measured by the National Transit Database (NTD) or its successor index, or other alternative benchmarks as identified by the Metro Board.
- To ensure a safe operating environment, the Board shall consider the rate of by reducing train accidents and passenger and employee injuries as measured by incidents per 100,000 train miles. The data shall be compiled and conform to standards as required by the Federal Railroad Administration (FRA) or its successor agency. at or above of the top 10 commuter rail operators as measured in the National Transit Database (NTD) or its successor index.

Cost Containment goals shall include the ongoing attainment evaluation of the following standards:

- To ensure the efficient use of agency resources, the Board shall consider the growth in operating costs per revenue train mile and changes in the required Metro financial

contribution for the provision of commuter rail services in Los Angeles County. These values shall be reported and measured annually and on a rolling 3 year basis. As a comparable industry benchmark, the Board shall consider ~~shall not exceed~~ the average costs per revenue train mile ~~increase~~ of the top 10 commuter rail operators as measured by the National Transit Database (NTD) or its successor index, or other index as identified by the Metro Board.

- The Board shall also consider Total Revenue Recovery, including Fares and other Operating Revenues, and their relation to total~~shall meet or exceed 50% of~~ operating costs on an annual basis as measured on a 3 year rolling average.

Investment goals shall include and be measured by the following standards:

The SCRRA, successor agency, or agency providing regional commuter rail services for LA County, shall provide Metro a detailed asset management plan (State of Good Repair) for Metro owned or shared commuter rail assets that reflects both a fiscally constrained 5-year plan of proposed actions as well as a 10-year unconstrained plan to identify Right-Of-Way (ROW), revenue equipment, capital projects, and other asset maintenance requirements. This plan shall be updated, at minimum, on a biannual basis.

As referenced above, the ten largest commuter rail operators shall be measured on the basis of total operating costs for the provision of commuter rail services as reported through the National Transit Database (NTD).

FUND DISBURSEMENT

Funds will be disbursed after:

- A Memorandum of Understanding (MOU) between the recipient and Metro has been executed; or
- After approval by the Metro Board of Directors and applied towards an approved program of Regional Rail investment and subject to all Metro policies and procedures.

LAPSING REQUIREMENT

Given the objective of the program to improve transit service, recipients are encouraged to spend these funds in a timely manner.

Recipients have four years, which is the year of allocation plus three years, to spend the funds allocated through this program. All invoices must be submitted no later than one year after the four year program. Metro staff may grant extensions on a case-by-case basis, accompanied by adequate documentation of justification of the need for the extension request.

REPORTING REQUIREMENTS

Eligible recipients will provide an annual report to Metro describing how uses of Measure M funds are contributing to accomplishing the program objectives. In addition, eligible recipients will be required to prepare quarterly reports on the status of performance criteria outlined above. These quarterly reports shall be submitted to Metro for review by the Independent Taxpayer Oversight Committee.

AUDIT REQUIREMENTS

Use of these funds will be audited as part of the annual audit of each recipient. Any organization receiving and utilizing these funds will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

MEASURE M RECOGNITION

All operators are encouraged to recognize projects and services that are funded using Measure M funds. Examples include websites, car cards, schedules, other promotions and marketing materials. This will be left to the discretion of each operator.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

XXI. 5% METRO RAIL OPERATIONS

INTRODUCTION

Measure M was approved by the voters of Los Angeles County on November 8, 2016 to improve transportation and ease traffic congestion consistent with the Measure M Ordinance. These guidelines summarize the funding policies and administrative procedures for Measure M Metro Rail Operations for the Los Angeles County Metropolitan Transportation Authority (Metro).

PROGRAM OBJECTIVES

As defined in Section 3 of the Measure M Ordinance, Metro Rail Operations “means service delivery for operating and regular and preventative maintenance for Metro Rail Lines as defined in guidelines adopted by the Metro Board of Directors, as well as Metro State of Good Repair.” Metro State of Good Repair “means the repair, rehabilitation, and replacement required to maintain reliable, safe, effective, and efficient rail transit services.”

PROGRAM AMOUNT AND ALLOCATION PERIOD

This is a program funded by the Measure M sales tax with no sunset, beginning on July 1, 2017. Every year Metro shall allocate 5% of all net revenues derived from the tax solely for Metro Rail Operations.

ALLOCATION METHODOLOGY

Funds will be allocated to Metro exclusively for Metro Rail Operations. In addition, Metro may expend some portion or all of these funds for Metro State of Good Repair. Allocations and uses for Metro State of Good Repair are further defined in the “Program Guidelines for 2% Metro State of Good Repair.”

ELIGIBLE RECIPIENTS

Metro shall be the sole recipient of Metro Rail Operations funds, as defined in the Measure M Ordinance.

ELIGIBLE USES

Eligible expenses include operating, regular and preventative maintenance for existing and new Metro Rail Lines, as well as the repair, replacement, and rehabilitation of Metro assets required for its rail transit vehicle fleet, systems and engineering, and stations. Examples of eligible expenses include, but are not limited to, the following:

- Rail transit operations, exclusive of bus bridges required for capital projects or disruptions in service
- Rail transit maintenance, including daily check-ups, cleaning, and repairs
- Rail transit communications, signals, power, controls, and track systems and engineering operations and upkeep
- Rail vehicle overhaul, midlife, and acquisition
- Maintenance and component replacement of rail communications, signals, power, controls, and track systems and engineering
- Rail station upkeep, repairs, and maintenance, including, but not limited to, fare gates, ticket vending machines (TVMs), transit passenger information system (TPIS) systems, and lighting
- Fare collection system and equipment

RESERVE/CARRYOVER REQUIREMENTS

Given the objective of the program to address Metro Rail Operations, Metro is encouraged to spend these funds in a timely manner. However, Metro may reserve or carryover its allocation to the next fiscal year.

REPORTING REQUIREMENTS

Metro will provide quarterly reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of Measure M 5% Metro Rail Operations funds are contributing to accomplishing the program objectives.

Measure M funds may be used to supplement existing state, federal, and local transit funds in order to maintain the provision of the existing transit services in the event of a current or projected funding shortfall.

AUDIT REQUIREMENTS

Use of these funds will be subject to audit and oversight as determined by Measure M and all other applicable state and local laws. Metro will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

MEASURE M RECOGNITION

Projects and services funded by the Measure M Metro Rail Operations program will recognize the use of Measure M funds. Examples include websites, car cards, schedules, other promotions and marketing materials. This will be left to the discretion of Metro.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

XXII. 20% TRANSIT OPERATIONS

(Metro and Included and Eligible Municipal Providers)

INTRODUCTION

Measure M was approved by the voters of Los Angeles County on November 8, 2016 to improve transportation and ease traffic congestion consistent with the Measure M Ordinance. These guidelines summarize the funding policies and administrative procedures for the Measure M 20% Transit Operations program for the Los Angeles County Metropolitan Transportation Authority (Metro) and Municipal Operators.

PROGRAM OBJECTIVES

As defined in Section 3 of the Measure M Ordinance, Transit Operations “means countywide transit service operated by Metro and the Included and Eligible Municipal Operators receiving funds allocated through a Board-adopted Formula Allocation Procedure (FAP).” The purpose of the Measure M 20% Transit Operations program is to improve countywide transit service operations, maintenance, and expansion. The intent of Measure M is to increase revenues available for the public transit system. The program is flexible to allow each operator to determine how best to accomplish making public transportation more convenient, affordable, and improve quality of life.

PROGRAM AMOUNT AND ALLOCATION PERIOD

This is a program funded by the Measure M sales tax with no sunset, beginning on July 1, 2017. Every year Metro shall allocate 20% of all net revenues derived from the tax for transit operations to all existing eligible and included municipal transit operators in the County of Los Angeles and to Metro.

ALLOCATION METHODOLOGY

Funds will be allocated among the included and eligible municipal operators according to the shares calculated by the Formula Allocation Procedure (FAP) for the year in which funds are allocated. The allocations to the eligible and included municipal operators and Metro for this program shall be made solely from the revenues derived from the Measure M 20% funds, and not from other local discretionary sources. Measure M 20% services will not be included in the Foothill Mitigation Calculation.

ELIGIBLE RECIPIENTS

All included and eligible municipal operators and Metro participating in the FAP are eligible to receive these funds. Eligible recipients are those operators that were in existence when the

Measure M program was approved by the voters of Los Angeles County (California) and include the following:

- City of Arcadia
- City of Claremont
- City of Commerce
- City of Culver City
- Foothill Transit
- City of Gardena
- City of La Mirada
- Long Beach Transit
- City of Montebello
- City of Norwalk
- City of Redondo Beach
- City of Santa Monica
- City of Torrance
- Antelope Valley Transit Authority
- City of Santa Clarita
- Los Angeles Department of Transportation
- Los Angeles County Metropolitan Transportation Authority – Operations

ELIGIBLE USES

Eligible expenses include operations for transit service, maintenance, and expansion, and any other operating expenses that will contribute to meet the above program purpose and/or objectives. For Metro, these funds are also eligible to be used for Metro Rail operations, and as secondary Metro Rail State of Good Repair and pilot programs for new transit services. Metro will develop policies that will define and establish criteria for implementing pilot programs.

MAINTENANCE OF EFFORT

Senate Bill No. 767 (De Leon) states that funds allocated by Metro to eligible and included municipal operators shall be used for transit operations and shall not supplant any funds authorized by other provisions of law and allocated by Metro to the eligible and included municipal operators for public transit. In addition to implementing new transit services and programs, eligible recipients may use Measure M 20% funds to supplement existing state, federal, and local transit funds in order to maintain the provision of the existing transit services in the event of a current or projected funding shortfall. Metro staff reserves the right to request appropriate documentation from eligible recipients to support the existence of a funding shortfall.

For Metro, Senate Bill No. 767 (De Leon) states that funds allocated by Metro to itself shall be used for transit operations and shall not supplant funds from any other source allocated by Metro to itself for public transit operations (Attachment B – Senate Bill No. 767).

Measure M funds shall not supplant any local return fund contributions made toward the operations of a transit system.

FUND DISBURSEMENT

Funds will be disbursed after a Memorandum of Understanding (MOU) between the operator and Metro has been executed and the operator has submitted to Metro a Measure M 20% Improvement Plan showing the assignment of that fiscal year's funds. The Measure M 20% Improvement Plan should include a description of how these funds will be spent. The plan should explain how these services will meet the program objective and benefit transit users. The Measure M 20% Improvement Plan may be amended by the operator in coordination with Metro's Local Programming staff. Funds for operating purposes will be disbursed monthly in equal portions of an operator's allocation once an invoice for the annual allocation amount is received from that operator.

All interest accrued on the Measure M 20% transit operations fund will be reallocated annually through the FAP and according to these guidelines.

RESERVE/CARRYOVER REQUIREMENTS

An operator may reserve or carryover its allocation to the next fiscal year; however, the funds will retain their original year of allocation for the purpose of applying the lapsing requirement.

An operator may assign its funds for a given fiscal year to another operator that is able to use them according to the program, purpose, and objectives and within the lapsing requirement timeframe. Fund trade will not be allowed using Measure M 20% funds.

LAPSING REQUIREMENT

Given the objective of the program to improve transit service, operators are encouraged to spend these funds in a timely manner.

Operators have three years, which is the year of allocation plus two years, to spend the funds allocated through this program. Metro may grant extensions on a case-by-case basis, accompanied by adequate documentation of justification of the need for the extension request. The appeal of any lapsing funds will be submitted to Metro, in consultation with Bus Operations Subcommittee (BOS), and subject to approval by the Metro Board of Directors, with any lapsed funds reverting back to the Measure M 20% fund for reallocation to eligible recipients.

REPORTING REQUIREMENTS

Operators will provide quarterly reports to Metro describing how uses of Measure M 20% funds are contributing to accomplishing the program objectives. Metro will compile the operators' quarterly reports into a regional Measure M 20% Program update for the Metro Board and the Measure M Independent Taxpayer Oversight Committee. The quarterly reports are in addition to the annual Improvement Plan. All service funded with Measure M 20% Transit Operations proceeds will be included in the FAP, and reported separately on the Transportation Performance Measurement forms. Measure M Funds may be used to supplement existing state, federal, and local transit funds in order to maintain the provision of the existing transit services in the event of a current or projected funding shortfall. Measure M 20% Funds used for expansion may only be included in the FAP if there is an overall service level increase (as evidenced in the National Transit Database Report).

AUDIT REQUIREMENTS

Use of these funds will be audited as part of the annual audit of each municipal operator. Those operators that perform their own audit shall consult with Metro for a scope of work, which covers the Measure M 20% audit requirement. The audit shall include in the scope of work compliance with the Maintenance of Effort provision and exceptions to that provision will be reported as a finding. Operators will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

MEASURE M RECOGNITION

All operators are encouraged to recognize projects and services that are funded using Measure M funds. Examples include websites, car cards, schedules, other promotions and marketing materials. This will be left to the discretion of each operator.

REVISIONS TO PROGRAM GUIDELINES

These guidelines cannot be changed without consensus from the eligible recipients, as defined in these guidelines, and upon approval of the Metro Board of Directors.

XXIII. 2% ADA PARATRANSIT FOR THE DISABLED; METRO DISCOUNTS FOR SENIORS AND STUDENTS

INTRODUCTION

Measure M was approved by the voters of Los Angeles County on November 8, 2016 to improve transportation and ease traffic congestion consistent with the Measure M Ordinance. These guidelines summarize the funding policies and administrative procedures for the Measure M 2% program for:

- A) ADA paratransit for people with disabilities; and
- B) Los Angeles County Metropolitan Transportation Authority (Metro) discounts for seniors and students.

PROGRAM OBJECTIVES

The purpose of this Measure M 2% program is:

- A) To maintain and improve the service performance of ADA paratransit services for people with disabilities in Los Angeles County. As defined in Section 3 of the Measure M Ordinance, ADA paratransit “means paratransit service for the disabled as provided or by the Americans with Disabilities Act;” and
- B) To fund Metro discounts for seniors and students.

In addition, this program will aim to bridge the mobility gap for older adults by designing programs to provide older adults and people with disabilities with the knowledge, practice and confidence to safely and independently travel on public transportation.

PROGRAM AMOUNT AND ALLOCATION PERIOD

This is a program funded by the Measure M sales tax with no sunset, beginning on July 1, 2017. Every year Metro shall allocate 2% of all net revenues derived from the tax to the program objectives set out above.

ALLOCATION METHODOLOGY

The program funds will be allocated annually based on budgetary needs, with ADA as a priority, for a maximum of 75% for ADA paratransit, and a minimum of 25% for Metro discounts for seniors and students. Any unused funds will revert back to the 2% ADA Paratransit for the Disabled and Metro Discounts for Seniors and Students pool of funds to be redistributed in the following fiscal year.

ELIGIBLE RECIPIENTS

- A) For the ADA paratransit portion, any transportation agency that provides ADA paratransit services on behalf of Los Angeles County fixed route transit operators and Metro are eligible to receive the program funds. In Los Angeles County, ADA paratransit is currently provided by Access Services on behalf of fixed-route transit operators countywide. If there are any changes to eligible ADA paratransit providers, the content of these guidelines should be revisited.
- B) For the Metro discounts for seniors and students portion, all funds will be allocated to Metro to fund the fare subsidy program described in Appendix B/~~Attachment A~~.

ELIGIBLE USES

- A) For the ADA paratransit portion, eligible uses include ADA paratransit operating expenses, capital ~~expenses~~ expenses (including innovative technology), and activities to enhance ADA paratransit services provided by the eligible recipients as described above. Up to 10% of the ADA paratransit funds (maximum of 75% for ADA paratransit) may also be used for activities that encourage the use of other transportation options (besides ADA paratransit) by older adults and people with disabilities, such as Travel Training and other innovative programs in coordination with Metro.
- B) For the Metro discounts for seniors and students portion, funds will be allocated to the fare subsidy program described in Appendix B/~~Attachment A~~.

FUND DISBURSEMENT

- A) For the ADA paratransit portion, funds will be disbursed after a Memorandum of Understanding (MOU) between each eligible ADA paratransit provider and Metro has been executed.
- B) For the Metro discounts for seniors and students portion, Metro will be the sole recipient, and all such monies will be used to fund the discounts as described in Attachment A.

REPORTING REQUIREMENTS

- A) Eligible recipients will provide an annual report to Metro describing how uses of Measure M 2% funds are contributing to accomplishing the program objectives. In addition, eligible recipients will be required to prepare quarterly reports on the status of performance metrics as specified in the MOU. These quarterly reports shall be submitted to Metro for review by the Independent Taxpayer Oversight Committee.

- B) Metro will be required to report quarterly to the Independent Taxpayer Oversight Committee on the status and utilization of the fare subsidy program described in Attachment A.

AUDIT REQUIREMENTS

- A) Use of these funds by ADA paratransit providers will be audited as part of Metro's Consolidated Audit program.
- B) Use of these funds for Metro discounts for seniors and students will be audited as part of Metro's Consolidated Audit program.

MEASURE M RECOGNITION

All recipients are encouraged to recognize projects and services that are funded using Measure M funds. Examples include websites, car cards, schedules, other promotions and marketing materials. This will be left to the discretion of each recipient.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors. Future Board-adopted changes to the fare subsidy program described in Appendix B/~~Attachment A~~ shall automatically append these guidelines.

XXIV. 2% METRO STATE OF GOOD REPAIR

INTRODUCTION

Measure M was approved by the voters of Los Angeles County on November 8, 2016 to improve transportation and ease traffic congestion consistent with the Measure M Ordinance. These guidelines summarize the funding policies and administrative procedures for Measure M 2% Metro State of Good Repair for the Los Angeles County Metropolitan Transportation Authority (Metro).

PROGRAM OBJECTIVES

As defined in Section 3 of the Measure M Ordinance, Metro State of Good Repair “means the repair, rehabilitation, and replacement required to maintain reliable, safe, effective, and efficient rail transit services.” This definition is will also apply to Measure M funding categories that are Metro State of Good Repair eligible: 5% Metro Rail Operations and 20% Transit Operations.

PROGRAM AMOUNT AND ALLOCATION PERIOD

This is a program funded by the Measure M sales tax with no sunset, beginning on July 1, 2017. Every year Metro shall allocate 2% of all net revenues derived from the tax solely for Metro State of Good Repair.

ALLOCATION METHODOLOGY

Funds will be allocated to Metro exclusively for Metro State of Good Repair.

ELIGIBLE RECIPIENTS

Metro shall be the sole recipient of Metro State of Good Repair funds for rail, as defined in the Measure M Ordinance.

ELIGIBLE USES

Eligible expenses include the repair, replacement, and rehabilitation of Metro assets required for its rail transit vehicle fleet, systems and engineering, and stations. Examples of eligible expenses include, but are not limited to, the following:

- Rail vehicle overhaul, midlife, acquisition, and maintenance
- Maintenance, component replacement, and upkeep of rail communications, signals, power, controls, and track systems and engineering; and,

- Rail station upkeep, repairs, and maintenance, including, but not limited to, fare gates, ticket vending machines (TVMs), transit passenger information system (TPIS) systems, ~~and~~ lighting, and public art restoration
- Fare collection system and equipment
- Systems, software and services to assess, prioritize and report on state of good repair projects

RESERVE/CARRYOVER REQUIREMENTS

Given the objective of the program to address Metro State of Good Repair, Metro is encouraged to spend these funds in a timely manner. However, Metro may reserve or carryover its allocation to the next fiscal year.

REPORTING REQUIREMENTS

Metro will provide quarterly reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of Measure M 2% Metro State of Good Repair funds are contributing to accomplishing the program objectives.

Measure M funds may be used to supplement existing state, federal, and local transit funds in order to maintain the provision of the existing transit services in the event of a current or projected funding shortfall.

AUDIT REQUIREMENTS

Use of these funds will be subject to audit and oversight as determined by Measure M and all other applicable state and local laws. Metro will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

MEASURE M RECOGNITION

Projects and services funded by the Measure M Metro State of Good Repair program will recognize the use of Measure M funds. Examples include websites, car cards, schedules, other promotions and marketing materials. This will be left to the discretion of Metro.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

XXV. LOCAL RETURN

INTRODUCTION

Measure M was approved by the voters of Los Angeles County on November 8, 2016 to improve transportation and ease traffic congestion. Consistent with the Measure M Ordinance, these guidelines summarize the funding policies and administrative procedures for the Measure M Local Return (LR) program.

PROGRAM OBJECTIVES

The Measure M Ordinance specifies that LR funds are to be used for transportation purposes. No net revenues distributed to cities and the County of Los Angeles (Jurisdictions) may be used for purposes other than transportation purposes. The Measure M Ordinance directs the Los Angeles County Metropolitan Transportation Authority (Metro) to develop LR Guidelines, including administrative requirements. The projects included herein further define those transportation purposes for which Measure M LR revenues may be used.

PROGRAM AMOUNT AND ALLOCATION PERIOD

This is a program funded by the Measure M sales tax with no sunset, beginning on July 1, 2017. Every year, Metro shall allocate 17% of all net revenues to the LR Program. This amount shall increase to 20% on July 1, 2039.

ALLOCATION METHODOLOGY

Metro will require that Jurisdictions submit Assurances and Understandings agreements before participating in the LR Program. The Measure M Ordinance specifies that 17% of its revenues be allocated to Jurisdictions on a per capita basis. After administrative costs are deducted, apportionments are made to all Jurisdictions within the Los Angeles County, currently 88 cities and the County of Los Angeles (for unincorporated areas). The Jurisdictions' allocations are based on the population shares from the projected populations as derived from annual estimates made by the California State Department of Finance. The projected populations are revised annually in the Transit Fund Allocations and approved by the Metro Board.

Reallocation of Local Return distributions can be subsequently pursued at the subregional level among the cities and county areas within subregional boundaries, to support smaller cities, at the discretion of those parties.

ELIGIBLE RECIPIENTS

The following cities and the County of Los Angeles are eligible to receive Measure M LR funds:

- Agoura Hills
- Alhambra
- Arcadia
- Artesia
- Avalon
- Azusa
- Baldwin Park
- Bell
- Bellflower
- Bell Gardens
- Beverly Hills
- Bradbury
- Burbank
- Calabasas
- Carson
- Cerritos
- Claremont
- Commerce
- Compton
- Covina
- Cudahy
- Culver City
- Diamond Bar
- Downey
- Duarte
- El Monte
- El Segundo
- Gardena
- Glendale
- Glendora
- Hawaiian Gardens
- Hawthorne
- Hermosa Beach
- Hidden Hills
- Huntington Park
- Industry
- Inglewood
- Irwindale
- La Canada Flintridge
- La Habra Heights
- Lakewood
- La Mirada
- Lancaster
- La Puente
- La Verne
- Lawndale
- Lomita
- Long Beach
- Los Angeles City
- Lynwood
- Malibu
- Manhattan Beach
- Maywood
- Monrovia
- Montebello
- Monterey Park
- Norwalk
- Palmdale
- Palos Verdes Estates
- Paramount
- Pasadena
- Pico Rivera
- Pomona
- Rancho Palos Verdes
- Redondo Beach
- Rolling Hills
- Rolling Hills Estates
- Rosemead
- San Dimas
- San Fernando
- San Gabriel
- San Marino
- Santa Clarita
- Santa Fe Springs
- Santa Monica
- Sierra Madre
- Signal Hill
- South El Monte
- South Gate
- South Pasadena
- Temple City
- Torrance
- Vernon
- Walnut
- West Covina
- West Hollywood
- Westlake Village
- Whittier
- Unincorporated Los Angeles County

ELIGIBLE USES

Following are listings of eligible projects for which Measure M LR funds can be used.

1. Streets and Roads. Planning, right-of-way and utility acquisition, engineering and design, administration, construction, improvement, maintenance, and operation of public streets and roads, bridges, highways and exclusive public mass transit guideways, and their related public facilities for non-motorized traffic, including the mitigation of their environmental effects, improvements to capture, convey, infiltrate, and/or treat urban runoff and stormwater, and all costs associated with property acquisition for such purposes.

Streets and Roads improvements may consist of, but are not limited to, the following:

- Repair and maintenance of public roadways, pavement maintenance, slurry and rubberized seals, chip seals, pot-hole repair, pavement rehabilitation, or other pavement preservation treatments, roadway construction or reconstruction, utility undergrounding, curb, gutter, sidewalk, trees, roadway signage, median and parkway improvements, and storm drain systems in connection with any roadway improvements
- Cape seals, or other pavement preservation treatments, slope maintenance to preserve the operation of the public right of way
- Capacity enhancements, street widenings, pavement marking and striping or restriping
- Exclusive bike or bus lanes
- Roadway safety improvements such as sound walls, roadway lighting, traffic signals, raised median or roadway striping and signage, railroad crossings, erosion/sediment controls for hillside roads, and guardrails
- Street improvements to meet Americans with Disabilities Act (“ADA”) requirements

Complete Streets

As defined in Section 3 of the Measure M Ordinance, “Complete Streets” means a comprehensive, integrated transportation network with infrastructure and design that allows safe and convenient travel along and across streets for all users, including pedestrians, users and operators of public transit, bicyclist, persons with disabilities, seniors, children, motorists, users of green modes, and movers of commercial goods.

Specific aspects of a complete street are dependent on the context in which the roadway is located (urban, suburban, rural, heavy traffic volume, numerous pedestrian destinations, etc.).

Green Streets

As defined in Section 3 of the Measure M Ordinance, “Green Streets” means urban transportation rights-of-way integrated with stormwater treatment techniques that use natural processes and landscaping and quantitatively demonstrate that they capture and treat stormwater runoff from their tributary watershed through infiltration or other means and are included within the respective Enhanced Watershed Management Plan.

Green Streets are a stormwater management approach that incorporates vegetation (perennials, shrubs, trees), soil, and engineered systems, such as permeable pavements, to slow, filter, and cleanse stormwater runoff from impervious surfaces (e.g., streets, sidewalks). Green streets are designed to capture rainwater at its source, where rain falls. Enhanced Watershed Management Programs may include, but are not limited to, any Watershed Management Plan and/or Program approved by the California Regional Water Quality Control Board, Los Angeles Region, or its successors. Projects that integrate urban runoff stormwater capture, infiltration, and/or treatment techniques that are not included within a watershed management plan or program may still be eligible for Measure M LR funds as part of other eligible project categories.

Per Ordinance, no more than 33 1/3% of LR funds received may be spent on Green Streets projects in any fiscal year.

Storm Drains

Storm drains are drains designed to remove excess rain and groundwater from impervious surfaces such as paved streets, parking lots, bikepaths, and sidewalks. Most storm drainage systems are designed to drain the water, untreated and unfiltered, into channels and water bodies.

2. Traffic Control Measures. Signal Synchronization, Transportation Demand Management (“TDM”), Transportation Systems Management (“TSM”), Intelligent Transportation System (“ITS”), new traffic signals, traffic signal modification, signalization of turns, traffic management center, and traffic safety.
 - a. Signal Synchronization. The research, planning, design, engineering, administration, construction, improvement, maintenance, and operation of traffic signals and traffic signal improvement projects, in particular those

improvements required to install and maintain traffic signal synchronization and coordinated traffic signal timing across jurisdictions.

Signal Synchronization Improvements may consist of, but are not limited to, the following:

- Installation of new traffic signal
- Installation of left-turn or right-turn phasing
- Maintenance, repair, replacement and/or upgrade of traffic and pedestrian signal equipment
- Installation, repair and maintenance of vehicle detection system which may include operation as a fully traffic-actuated signal
- Installation of time-based coordination; installation and maintenance of traffic signal coordination timing
- Traffic Management Center (TMC) establishment or modification for management of traffic signals
- Installation of signal-related electrical system and/or fiber optic in the roadway

- b. TDM projects are defined as strategies/actions intended to influence how people commute, resulting in minimizing the number of vehicle trips made and vehicle miles traveled during peak travel periods.

TDM projects must be made available to all employers and/or residents within the Jurisdiction boundaries.

TDM-eligible project expenditures may consist of, but are not limited to, the following:

- Vanpool and/or vanpool incentive programs, and carpool and biking incentive programs. Community-based shuttles for employees, if such services complement existing transit service
- Parking management incentive programs, including parking cash-outs or parking pricing strategies
- Employer or citizen ride-matching programs and subsidies
- Transportation Management Organization's ("TMO") insurance costs or individual employer's vanpool programs under the umbrella vehicle insurance policy of the Jurisdiction
- Matching funds for LR-eligible projects such as Safe Routes to School projects, Call for Projects, and highway improvement safety projects
- Car-sharing programs
- Bike-sharing programs

- Guaranteed Ride Home Programs, Telework Incentives, Ride-hailing incentives
 - First/last mile transit connectivity strategies including shared mobility services (mobility hubs, secure bike parking, bike-share, car-share, universal reservation payment systems, etc.
 - Safe routes for Seniors
 - Safe routes to school
 - Autonomous and/or Connected Shared Vehicle Technology
- c. TSM-eligible project expenditures include those for relatively low-cost, non-capacity-enhancing traffic control measures that improve vehicular flow and/or increase safety within an existing right-of-way. TSM projects may consist of, but are not limited to, the following:
- Reserved bus lanes (no physical separation) on surface arterials
 - Contra-flow lanes (reversible lanes during peak travel periods)
 - Ramp meter by-pass (regulated access with bus/carpool unrestricted entry)
 - Traffic signal priority for buses (to allow approaching transit vehicles to extend green phase or change traffic signal from red to green)
 - Preferential turning lanes for buses
 - Other traffic signal improvements that facilitate traffic movement

Traffic Control Measures - Eligibility Restrictions

LR funds may not be used to alter system/signal timing that was implemented under a traffic forum project/grant, unless coordinated with all affected Jurisdictions in the corridor. If a LR-funded project is or has an ITS component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures that the Metro Board has adopted.

3. Active Transportation. Active transportation is any non-motorized, human-powered mode of transportation, such as walking, bicycling, rolling, skating or scooting. Complete Streets projects are intended to facilitate and encourage the use of active transportation modes.

Bikeway and pedestrian improvements are for public uses and should follow ADA and California Title 24 specifications for accessibility requirements. Bikeways and pedestrian improvements may consist of, but are not limited to, the following:

- Construction and maintenance of bike/pedestrian facilities, sidewalks, related lighting, and cycle track operation and maintenance of off-street bike and pedestrian facilities, shared use paths, bike/pedestrian trails and trail connections
- Installation, repair, and maintenance of street furniture, such as seating and parklets
- Signage, information/safety programs
- Lighting for bike and pedestrian safety, including ongoing energy and maintenance costs
- Bike signal, bike detection, bike valet, bike lane and bike parking/storage
- ADA improvements, streetscapes, crossings and curb cuts
- Bike sharing
- Pedestrian, bike safety and bike education and studies
- Pedestrian plans
- Demonstration, pilot, or temporary staging projects to show the public a project and test the project's feasibility
- Improve first and last mile access to transit
- Bicycle center and supportive secure parking, and repair services for city owned bike share program
- Open street events to provide opportunities for 1) riding transit, walking and riding a bike, possibly for the first time, 2) to encourage future mode shift to more sustainable transportation modes, and 3) for civic engagement to foster the development of multi-modal policies and infrastructure at the city/community level
- Non-profit and private organization consultant services that can offer their expertise in outreach, planning, cost estimation, grant writing, design, environmental review, implementation, and maintenance

4. Public Transit Services. Proposed new or expanded transit or paratransit services to address unmet transit needs must be coordinated with Metro and other affected existing regional bus transit systems to determine the proposed service's compatibility with the existing service(s). Metro may request that the proposed service be modified. Proposed services must also meet the criteria outlined under "Non-Exclusive School Service" and "Specialized Transit." Emergency Medical Transportation is not an eligible use of LR funds. Public transit service expenditures may include, but are not limited to, the following:

- New fixed-route, paratransit (Elderly and Disabled and/or General Public) or Flexible Destination bus service
- Extension or augmentation of an existing bus route(s) and coordination of existing paratransit service

- Contracting with a transit operator or private provider for transportation services
- Contracting with transit operator in an adjacent county to provide transportation services within Los Angeles County
- Operating subsidy to existing municipal or regional bus operator
- Service enhancements related to bus/rail interface
- Shuttle service between activity centers
- Fare subsidy, subsidized taxi or similar service for residents
- Taxi or similar service coupon/voucher programs used to provide paratransit systems for senior and disabled patrons
- ADA related improvements to fixed route or paratransit operations
- Transit security operations
- Recreational transit
- Software or technology for collecting, reporting, and analyzing real-time operations, performance, or fare collection data
- Support existing levels of transit operations

Public Transit Services - Eligibility Restrictions

- a. **Non-Exclusive School Service** which includes fixed-route bus services or demand-responsive services available to the general public, which also provide school trips, are eligible for LR funding. Exclusive school bus services are not eligible. Projects must meet the following conditions:
 - The vehicles utilized cannot be marked "School Bus" or feature graphics that in any way indicate they are not available to the general public. Yellow paint schemes should not be for the specific purpose of meeting the vehicle code definition of a school bus.
 - The bus head sign is to display its route designation by street intersection, geographic area, or other landmark/destination description and cannot denote "School Trip" or "Special." In cases where the service includes an alternate rush-hour trip to provide service by a school location, the dashboard sign is to indicate the line termination without indicating the school name.
 - Timetables for such services which will be made available to the general public, shall provide the given schedule and route but must not be labeled "school service."

- Drivers must be instructed that such service is available to the general public and board and alight all passengers as required at designated stops.
 - The same fare payment options must be made available to all users.
 - The overall transportation service provided in the Jurisdiction must not be for school-hour service only.
- b. **Specialized Public Transit**, special-user group service or social service transit may be eligible where it can be incorporated into the existing local transit or paratransit program. Jurisdictions must demonstrate that existing services cannot be modified to meet the identified user need. Projects must meet the following conditions:
- The special-user group identified does not discriminate on the basis of race, religion, sex, disability or ethnicity.
 - Service shall be available to all members of the general public having that specialized need and not be restricted to a specific group or program.
 - Service shall be advertised to the general public.
 - Metro may require, as a condition of approval, inter-jurisdictional project coordination and consolidation.
 - LR funds may only be used for the transportation component of the special user group program, i.e., direct, clearly identifiable and auditable transportation costs, excluding salaries for specialized escorts or other program aides.

- The designated vehicle(s) used must be made available for coordination with other paratransit programs if space permits.

- c. **Recreational Transit Services** are eligible for travel within a 300 mile radius of the designated point of departure within the Jurisdiction. All eligible trips must be made within California, and eligibility restricts the use to day trips (no overnight trips). Trips may be limited to certain general age groups (e.g., children under 18, senior citizens, persons with disabilities); however, trips must be made available to all individuals within that designated group. Special events or destinations may be served; however, all members of the general public including individuals with disabilities must be allowed to use the service.

LR funds may not be used to pay the salaries of recreation leaders or escorts involved in recreational transit projects. All recreational transit trips must be advertised to the public, such as through newspapers, flyers, posters, and/or websites. Jurisdictions must submit a Recreational Transit Service Form (Appendix C) on or before October 15th after the fiscal year the service was made available, to certify that all conditions were met.

5. **Public Transit Capital**. Bus/rail improvements, maintenance, and transit capital. Jurisdictions must coordinate bus stop improvements with affected transit operators. Public Transit Capital projects may consist of, but are not limited to, the following:

- Improvements to bus stops or rail stations (including street improvements)
- Transit Infrastructure
- Vehicles (new, replacement, and/or maintenance)
- Transit facilities
- Maintenance of facilities/state of good repair
- Transportation Enhancements (“TE”), park-and-ride lots
- Right-of-way improvements
- Improvements to rail crossing(s)
- Farebox systems and related improvements
- Transit Access Pass (“TAP”)
- Universal Fare System (“UFS”), plan development or projects
- Passenger counting systems, Automated Passenger Counter
- Purchase and installations of bus stop/station amenities and signage

- Parking facilities that support public transit use
- Transportation technical systems
- Transit security capital

6. Transit Oriented Community Investments (TOC). ~~Transit-oriented development (TOD) is a type of community development that includes a mixture of housing, office, retail and/or other commercial development and amenities integrated into a walkable and bikeable neighborhood and located within a half-mile of quality public transportation.~~

Measure M's intent goes beyond traditional transit oriented development TOD to focus on the creation of "transit-oriented communities" (TOC). TOCs represent a comprehensive approach to creating compact, walkable and bikeable places in a community context, rather than focusing on a single development site, particularly around transit, ~~as described in Metro's Transit Oriented Communities Program as defined in Metro's TOC Policy to be developed and approved by the Metro Board.~~

Measure M funds must leverage private and other public funds to create TOC. Jurisdictions are encouraged to publicize that Measure M funding was used to fund the project.

7. Transportation Marketing. If promotional signage, literature, or other project marketing material is distributed or displayed as part of a Measure M project outreach or marketing activity, Jurisdictions are encouraged to include a notation indicating that Measure M funding was used to fund the project.

Marketing projects may consist of, but are not limited to, the following:

- Transportation kiosks and/or transit pass sales centers
- Transportation information amenities such as maps, brochures, transportation signage
- Transportation user subsidy programs
- Promotions and events
- GIS mapping of bikeways and other bikeway information

8. Planning, Engineering and/or Study, Congestion Management Program ("CMP"). Planning, coordination, engineering and design costs incurred toward implementing an eligible LR project are eligible when the following conditions are met:

- Projects being planned (designed, coordinated, etc.) are LR eligible. Coordination includes: Jurisdictions' start-up costs or dues for Councils of Governments ("COGs") and Transportation Management Associations ("TMAs"); advocacy; and funding for Joint Powers Authorities ("JPAs") by Jurisdictions or ("COGs"). If some activities are LR eligible and some are not, partial payment of dues must be made proportionally to the organization's budget for LR-eligible projects.
- TDM-related activities as required by the CMP. CMP projects may consist of, but are not limited to the following:
 - a. preparation of TDM ordinances
 - b. administration and implementation of transit or TDM-related projects pursuant to CMP deficiency plans
 - c. monitoring of transit standards by transit operators

9. Transportation Administration. Expenditures for those administrative costs associated with and incurred for the aforementioned eligible projects/programs.

Direct administration include those fully burdened costs that are directly associated with administering LR program or projects, salaries and benefits, office supplies and equipment, and other overhead costs. All costs must be associated with developing, maintaining, monitoring, coordinating, reporting and budgeting specific LR project(s). Expenditures must be reasonable and appropriate to the activities undertaken by the locality. The administrative expenditures for any year shall not exceed twenty percent (20%) of the total LR annual expenditures.

10. Local Funding Contributions. Measure M LR funds may be used as matching funds for other federal, state, or local sources that may be used to fund transportation projects as listed herein in this section.

The Measure M Ordinance requires a three percent (3%) local funding contribution for designated projects. LR funds may be used to provide these local funding contributions. The 3% Local Contribution to Major Transit Projects guidelines are included in Attachment A.

MAINTENANCE OF EFFORT ("MOE")

Measure M LR Program funds are to be used to augment, not supplant, existing local revenues being used for transportation purposes. Jurisdictions must maintain their individual existing local commitment of funds, for current transportation projects and services.

In addition to implementing new Measure M eligible projects and programs, Jurisdictions may use Measure M LR funds to supplement existing Measure M eligible projects and programs should current grant funding that supports the operations of a program sunset, or if there is a current or projected funding shortfall. Metro reserves the right to request appropriate documentation from a Jurisdiction to support the existence of grant funding schedules and/or a funding shortfall.

COORDINATION APPROACH

Jurisdictions are encouraged to coordinate and use their Measure M LR-funded projects as follows:

1. More corridor-based projects, specifically projects that support other Measure M rail, bus and highway corridors
2. Coordination on arterials
3. Land use policies to support rail and bus transit
4. Bike connectivity between Jurisdictions
5. Bicycle and pedestrian access to support transit stations and rail stations
6. Rapid bus service implementation
7. Street improvements to support coordinated signal synchronization across jurisdictions
8. Complete streets, green measures
9. Improve first and last mile access to transit network

PROMOTE SUSTAINABILITY

Jurisdictions are encouraged to use Measure M LR funds for projects that will foster a more sustainable countywide transportation system by improving the efficiency and operation of streets and roads and/or increasing alternative transportation choices. Jurisdictions should also consider sustainability in the development of each project by incorporating design elements that reduce construction-related and long-term environmental impacts.

Sustainable design elements should aim to reduce energy, water, waste and air pollutants that occur throughout the lifecycle of a project, including its construction, maintenance, and operations.

ADMINISTRATIVE

AGREEMENT

Prior to receiving disbursements, a Jurisdiction must submit an executed Assurances and Understandings (legal agreement), a sample of which is shown in Attachment C.1. Funds are then automatically disbursed on a monthly basis from the net received revenues, on a per capita basis, to the Jurisdiction.

REPORTING REQUIREMENTS

Expenditure Plan (Form M-One)

To maintain legal eligibility and meet Measure M LR program compliance requirements, Jurisdictions shall submit to Metro an Expenditure Plan (Form M-One), annually, by August 1 of each year. A sample of Form M-One is shown in Attachment C.2.

Form M-One provides a listing of projects funded with Measure M LR funds along with estimated expenditures for the year. For both operation and capital projects, Part I is to be filled out. Part II is to be filled out for capital projects (projects over \$250,000). Metro will provide LR funds to a capital project or program sponsor who submits the required expenditure plan containing the following:

1. The estimated total cost for each project and/or program activity;
2. Funds other than Measure M that will be expended on the projects and/or program activity;
3. The active funding schedule for each project and/or program activity; and
4. The expected completion dates for each project and/or program activity.

Expenditure Report (Form M-Two)

The submittal of an Expenditure Report (Form M-Two) is also required to maintain legal eligibility and meet Measure M LR program compliance requirements. Jurisdictions shall submit a Form M-

Two, to Metro annually, by October 15th (following the conclusion of the fiscal year). The Expenditure Report serves to notify Metro of previous year LR fund receipts and expenditures. Jurisdictions are required to specify administration charges to Direct Administration in order to verify compliance of the 20% cap on administration costs. A sample of Form M-Two is shown in Attachment C.3.

Recreational Transit Form

Jurisdictions that use their Measure M LR funds for recreational transit services must fill out, sign and submit this form no later than October 15th after the fiscal year in which the services were rendered. A sample Recreational Transit Form is shown in Attachment C.4.

Form Submission Timeline

<u>FORM</u>	<u>DETERMINATION</u>	<u>ANNUAL DUE DATE</u>
Expenditure Plan (Form M-One)	New, amended, ongoing and carryover projects; Capital projects require additional information	August 1
Expenditure Report (Form M-Two)	All projects	October 15
Recreational Transit Form	Recreational Transit only	October 15

FINANCE

Establishing a Separate Account

Jurisdictions are required to establish a separate account, or sub-account (line item), and deposit all Measure M LR revenues, interest earnings received and other income earned (such as fare revenues, revenue from advertising, etc.) in that account.

Pooling of Funds

Metro will allow Jurisdictions to pool Measure M LR funds in order to obtain maximum return on investments. Such investment earnings must be reported and expended consistent with

these guidelines. As in fund exchanges or transfers, Jurisdictions involved in such arrangement should keep adequate records of such transactions in order to allow for subsequent audits.

Unexpended Project Funds

All unexpended project funds remaining upon completion of an approved project must be re-programmed.

Reimbursement

Measure M LR funds may be used to advance a project which will subsequently be reimbursed by federal, state, or local grant funding, or private funds, if the project itself is eligible under these guidelines. The reimbursement must be returned to the Measure M LR account.

A jurisdiction may advance an approved Measure M LR project using City/County/State funds, to be subsequently reimbursed by Measure M LR funds.

Fund Exchange: Trade, Loan, Gift

Jurisdictions involved with fund exchanges are required to obtain Metro approval and keep all related documents on file.

1. Trading of Measure M LR funds are restricted to other dedicated transportation funds/revenues (except for Proposition C funds which are not allowed).
2. Jurisdictions may arrange a mutually acceptable temporary transfer or loan from one Jurisdiction to another in order to meet short-term project financing needs while allowing for multi-year payback to the lead agency. These loans are to be made on terms to be negotiated between the involved parties. The participating Jurisdictions are held mutually responsible for ensuring that the end use of Measure M is for statutorily allowed purposes.
3. Jurisdictions can gift its Measure M LR funds to another Jurisdiction for the implementation of a mutual project, providing that the funds are used for eligible transportation purposes as listed herein. Jurisdictions giving the funds away cannot accept an exchange or gift of any kind in return.

See Attachment C.5. for a sample Fund Exchange Agreement.

Bonding

Jurisdictions may issue bonds against Measure M LR Revenue. See Appendix C .6. for bonding requirements.

LAPSING REQUIREMENT

Measure M LR funds have five (5) years to be expended. Funds must be expended within five years of the last day of the fiscal year in which funds were originally allocated or received. For

example, funds received in FY 2017-18 are required to be expended by June 30, 2023. A First-In-First-Out (FIFO) method of calculation will be used to determine any lapsing of funds. The Measure M LR allocation, interest income and other income earned from LR projects (such as revenues from advertising) which are not expended within the allocated time, will consequently lapse, and be returned to Metro upon request, for reallocation to Jurisdictions on a per capita basis.

Metro will allow a time extension for Jurisdictions to reserve funds (see RESERVE/CARRYOVER REQUIREMENTS below).

RESERVE/CARRYOVER REQUIREMENTS

Jurisdictions, may set up a reserve fund account to obtain additional time (beyond the five year term limit) to expend funds. The reserve project will be accounted for in a separate account, or sub-account for audit purposes and lapse date calculation. The reserve fund process is as follows:

1. The Jurisdiction must send a letter to Metro requesting a reserve fund along with project details, including an Expenditure Plan and justification and time continuance specific to the project for which the extension is needed.
2. Metro will determine if the extension is warranted. If the project qualifies, Metro will send an approval letter for the reserve.
3. The Jurisdiction will then be required to establish a separate account, or sub-account (line item), that can be audited.

However, if a Jurisdiction finds that the reserve fund project cannot be constructed for reasons beyond the Jurisdiction's control, the Jurisdiction may submit a request to Metro to reprogram the reserve. The Jurisdiction must indicate in writing the proposed use of the accumulated reserve funds to be reprogrammed, and receive written Metro approval. If the reserve funds are reprogrammed without the approval of Metro, Metro may request that the funds be paid back to Metro for reallocation to Jurisdictions on a per capita basis through the Measure M LR allocation process.

AUDIT REQUIREMENTS

A financial and compliance audit will be conducted annually as part of Metro's Consolidated Audit Program to verify adherence to the Measure M Guidelines. Audits will be performed in accordance with auditing standards generally accepted in the United States of America and the Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that the audit is planned and performed to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The audit shall

include examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. The audit shall also include review of internal control procedures, assessing the accounting principles used, as well as evaluation of the overall basic financial presentation.

It is each Jurisdiction's responsibility to maintain proper accounting records and documentation to facilitate the performance of the audit prescribed in these guidelines. This includes proper controls that administrative charges are adequately supported (timesheets, payroll registers, labor distribution reports and other related documentation). Jurisdictions are required to retain LR records for at least four years following the year of allocation and be able to provide trial balances, financial statements, worksheets and other documentation required by the auditor. Jurisdictions are advised that they can be held accountable for excess audit costs arising from poor cooperation and inaccurate accounting records that would cause delays in the completion of the required audits.

Note: Jurisdictions are required to expend their Measure M LR funds for transportation purposes, as defined by these guidelines. Any Jurisdiction that violates this provision must fully reimburse the Measure M LR fund, including interest thereon, for the misspent funds and may be deemed ineligible to receive Measure M LR funds for a period of three (3) years.

Financial and Compliance Provisions

The Measure M LR Audits shall include, but not limited to, verification of adherence to the following financial and compliance provisions of this guidelines:

Audit Area	Non-Compliance Penalty (for failure to comply with Audit Area)
Measure M LR funds were expended for transportation purposes (as defined by the Measure M LR Guidelines).	Reimbursement to the LR fund of unsupported expenditures, and possible suspension of disbursements for three (3) years. The suspended funds will be reallocated to Jurisdictions on a per capita basis.
Assurances and Understandings (fully executed agreement).	Suspension of disbursements until compliance.
Accounts and records have established a separate operating Measure M Local Transportation Assistance Account for LR purposes.	Suspension of disbursements until compliance.
Verification of revenues received including allocations, project generated revenues, interest income properly credited to Measure M account.	Suspension of disbursements until compliance.
Verification that funds were expended	

with Metro's approval.	Jurisdiction will be required to reimburse its LR account.
Verification that funds were not substituted for property tax and are in compliance with the MOE.	Jurisdiction will be required to reimburse its LR account (Auditors will measure MOE compliance globally, not project by project).
Verification that the funds are expended within five (5) years from the last day of the fiscal year in which funds were originally allocated or received (unless an approved reserve fund has been established).	Lapsed funds will be returned to Metro for reallocation to Jurisdictions on a population basis.
Verification that <u>administrative expenditures</u> did not exceed 20% of the total annual LR expenditures.	Jurisdictions will be required to reimburse their LR account for the amount over the 20% cap.
Verification that the Expenditure Plan was submitted on or before August 1 st at the beginning of the new fiscal year.	Audit exception.
Verification that the Annual Expenditure Report was submitted on or before October 15 th following the end of the prior fiscal year.	Audit Exception.
Where funds expended are reimbursable by other grants or fund sources,	

<p>verification that the reimbursement is credited to the Local Return account upon receipt of reimbursement.</p> <p>Where Measure M funds were given, loaned or exchanged by one Jurisdiction to another, verification that the receiving Jurisdiction has credited its LR account with the funds received.</p> <p>Where a capital reserve has been granted, verification that a separate account for the capital reserve is established, and current status is reported in the Expenditure Plan</p>	<p>Audit exception and reimbursement received must be returned to the LR account</p> <p>Audit exception and reimbursement of affected funds to the LR account.</p> <p>Audit exception.</p>
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Audit Deliverables

The auditor shall submit to the Jurisdictions and to Metro a Comprehensive Annual Report of Measure M LR funds no later than March 31 following the end of fiscal year. The report must, at the minimum, contain the following:

- Audited Financial Statements – Balance Sheet, Statement of Revenues and Expenditures and Changes in Fund Balances.
- Compliance Report, Summary of Exceptions, if any, and ensuing recommendations.
- Supplemental Schedules – Capital Reserves, if any; Schedule of Detailed Project Expenditures; and Capital Assets.

Suspension or Revocation

Jurisdictions are expected to take corrective action in response to the LR financial and compliance audit. Notwithstanding the provisions of these guidelines, Metro reserves the right to suspend or revoke allocation to jurisdictions that may be found to be in gross violation of these guidelines, or repeatedly committing violations, or refusing to take corrective measures.

MEASURE M RECOGNITION

All jurisdictions are encouraged to recognize projects and services that are funded using Measure M funds. Examples may include websites, car cards, schedules, other promotions and marketing materials. This will be left to the discretion of each jurisdiction.

REVISIONS TO PROGRAM GUIDELINES

These guidelines shall be reviewed by a Working Group of LR jurisdictions at least every five years. Any revisions to these program guidelines shall be approved by the Metro Board of Directors.

APPENDIX

- A. 3% Local Contribution to Major Transit Projects Guidelines
- B. Low Income Fare Subsidy Program (Measure M – Metro Discounts for Seniors and Students)
- C. Local Return Forms and Attachments (will be available within one month of adoption):
~~The following Attachments currently under development and not included in this draft:~~
 - 1. Assurances and Understandings ~~(Sample)~~
 - 2. Form M-One ~~(Sample)~~
 - 3. Form M-Two ~~(Sample)~~
 - 4. Recreational Transit Form ~~(Sample)~~
 - 5. Fund Exchange Agreement ~~(Sample)~~
 - 6. Bonding

APPENDIX A: POTENTIAL 3% JURISDICTIONS BY MAJOR TRANSIT PROJECT

Measure M Transit Project	City – Station Location
Crenshaw Light Rail Northern Ext to West Hollywood (LRT)	City of Los Angeles
Crenshaw Light Rail Northern Ext to West Hollywood (LRT)	City of Los Angeles
Crenshaw Light Rail Northern Ext to West Hollywood (LRT)	West Hollywood
East San Fernando Valley Transit Corridor (LRT)	City of Los Angeles
East San Fernando Valley Transit Corridor (LRT)	San Fernando
Gold Line Foothill Extension to Claremont Phase 2B (LRT)	Pomona
Gold Line Foothill Extension to Claremont Phase 2B (LRT)	Glendora
Gold Line Foothill Extension to Claremont Phase 2B (LRT)	San Dimas
Gold Line Foothill Extension to Claremont Phase 2B (LRT)	La Verne
Gold Line Foothill Extension to Claremont Phase 2B (LRT)	Claremont
Green Line to Norwalk Metrolink Station (LRT)	Norwalk/Santa Fe Springs
Green Line to Norwalk Metrolink Station (LRT)	Norwalk
Lincoln Blvd LRT	Los Angeles County/City of Los Angeles
Lincoln Blvd LRT	Inglewood
Lincoln Blvd LRT	City of Los Angeles
Lincoln Blvd LRT	City of Los Angeles
Lincoln Blvd LRT	City of Los Angeles
Lincoln Blvd LRT	Santa Monica
Gold Line Eastside Phase II [SR-60]	Montebello/Monterey Park
Gold Line Eastside Phase II [SR-60]	Los Angeles County/Monterey Park
Gold Line Eastside Phase II [SR-60]	Los Angeles County
Gold Line Eastside Phase II [SR-60]	Monterey Park
Gold Line Eastside Phase II [SR-60]	South El Monte
Gold Line Eastside Phase II [SR-60]	Los Angeles County
Gold Line Eastside Phase II [SR-60]	Montebello
Gold Line Eastside Phase II [SR-60]	Rosemead
Gold Line Eastside Phase II [SR-60]	Los Angeles County
Gold Line Eastside Phase II [Washington Blvd]	Montebello/Monterey Park
Gold Line Eastside Phase II [Washington Blvd]	Los Angeles County/Monterey Park
Gold Line Eastside Phase II [Washington Blvd]	Los Angeles County/Whittier
Gold Line Eastside Phase II [Washington Blvd]	Los Angeles County/Santa Fe Springs
Gold Line Eastside Phase II [Washington Blvd]	Los Angeles County
Gold Line Eastside Phase II [Washington Blvd]	Pico Rivera
Gold Line Eastside Phase II [Washington Blvd]	Whittier
Gold Line Eastside Phase II [Washington Blvd]	Montebello
Gold Line Eastside Phase II [Washington Blvd]	Commerce
Gold Line Eastside Phase II [Washington Blvd]	Montebello

Gold Line Eastside Phase II [Washington Blvd]	Los Angeles County
Gold Line Eastside Phase II [Washington Blvd]	Santa Fe Springs
Gold Line Eastside Phase II [Washington Blvd]	Los Angeles County
Orange Line Conversion to Light Rail (LRT)	City of Los Angeles
Sepulveda Pass Corridor - Westwood to LAX (HRT)	City of Los Angeles
Sepulveda Pass Corridor - Westwood to LAX (HRT)	City of Los Angeles
Sepulveda Pass Corridor - Westwood to LAX (HRT)	Culver City
Sepulveda Pass Corridor - Westwood to LAX (HRT)	City of Los Angeles
Sepulveda Pass Corridor - Westwood to LAX (HRT)	Culver City
Sepulveda Pass Transit Corridor (HRT)	City of Los Angeles
So Bay Green Line Ext to Torrance Transit Cen/Crenshaw Blvd	Torrance/Redondo Beach (Harbor Subdivsn 182-190 St)
So Bay Green Line Ext to Torrance Transit Cen/Crenshaw Blvd	Torrance
So Bay Green Line Ext to Torrance Transit Cen/Crenshaw Blvd	Lawndale
So Bay Green Line Ext to Torrance Transit Cen/Crenshaw Blvd	Redondo Beach
So Bay Green Line Ext to Torrance Transit Cen/Crenshaw Blvd	Redondo Beach
Transit Connector Orange/Red Line to Gold Line (LRT)	Glendale
Transit Connector Orange/Red Line to Gold Line (LRT)	Burbank
Transit Connector Orange/Red Line to Gold Line (LRT)	City of Los Angeles
Transit Connector Orange/Red Line to Gold Line (LRT)	Pasadena
Vermont Transit Corridor (HRT)	Los Angeles County/City of Los Angeles
Vermont Transit Corridor (HRT)	City of Los Angeles
West Santa Ana Transit Corridor (Gardendale to Downtown)	Huntington Park/Vernon
West Santa Ana Transit Corridor (Gardendale to Downtown)	South Gate/Cudahy; Metro ROW
West Santa Ana Transit Corridor (Gardendale to Downtown)	Huntington Park/Cudahy; Metro ROW
West Santa Ana Transit Corridor (Gardendale to Downtown)	Huntington Park/Bell
West Santa Ana Transit Corridor (Gardendale to Downtown)	South Gate
West Santa Ana Transit Corridor (Gardendale to Downtown)	Huntington Park
West Santa Ana Transit Corridor (Gardendale to Downtown)	Huntington Park
West Santa Ana Transit Corridor (Gardendale to Downtown)	Huntington Park
West Santa Ana Transit Corridor (Gardendale to Downtown)	Los Angeles County
West Santa Ana Transit Corridor (Gardendale to Downtown)	City of Los Angeles
West Santa Ana Transit Corridor (Gardendale to Downtown)	Bell
West Santa Ana Transit Corridor (Gardendale to Downtown)	Downey
West Santa Ana Transit Corridor (Gardendale to Downtown)	South Gate/Downey
West Santa Ana Transit Corridor (Pioneer to Gardendale)	Bellflower
West Santa Ana Transit Corridor (Pioneer to Gardendale)	South Gate
West Santa Ana Transit Corridor (Pioneer to Gardendale)	Paramount
West Santa Ana Transit Corridor (Pioneer to Gardendale)	Cerritos
West Santa Ana Transit Corridor (Pioneer to Gardendale)	Artesia
Westside Purple Line Ext to Westwood/VA Hospital (Section 3)	City of Los Angeles
Westside Purple Line Ext to Westwood/VA Hospital (Section 3)	Los Angeles County

APPENDIX B: LOW INCOME FARE SUBSIDY PROGRAM

Note: In May 2017, the Metro Board approved the Program outlined below.

Measure M – Metro Discounts for Seniors and Students Summary Description of Low Income Fare Subsidy Program

BACKGROUND

As required by the Measure M Ordinance and further described in the Measure M Guidelines for the 2% program (ADA Paratransit for the Disabled; Metro Discounts for Seniors and Students), a minimum of 25% of the revenues generated by this program shall be allocated to fare discounts for seniors and students. This document outlines the provisions for the use of these funds.

Current Fare Discounts Offered to Seniors and Students

Within Metro's existing fare structure, there are a wide variety of discounted fare products available to seniors, K-12 students, and college/vocational students. The total effective subsidy for all reduced fare products and Metro fare subsidies currently offered is over \$100M annually. By contrast, Measure M is expected to generate \$4M annually for this purpose—an overall subsidy increase of less than 5%.

Leveraging Measure M to Benefit Low Income Seniors and Students

In order to best utilize the Measure M monies available for senior and student discounts, these limited funds will be directed toward fare discounts for low income seniors and low income students. With the fare subsidy program described below, Metro is aiming to maximize the impact of the Measure M 2% program by providing fare subsidy benefits to the senior and student transit riders who need it most.

LOW INCOME FARE SUBSIDY PROGRAM

This revised fare subsidy program focused on low income riders in Los Angeles County will build upon the successes and lessons learned of the current fare subsidy programs – Immediate Needs Transportation Program (INTP) and Rider Relief Transportation Program (RRTP). The program will utilize funds from the existing programs and the additional Measure M revenues to offer additional subsidies to program participants, with a total estimated FY18 budget of \$14M - \$5M from INTP, \$5M from RRTP, and a projected \$4M in new sales tax revenue from Measure M.

The program will combine and increase benefits provided separately by each program today, while improving the customer's experience in applying for and utilizing program benefits. Projected efficiencies under the new program together with additional funds

from Measure M will fund the expansion of subsidies to program participants, allowing Metro to provide more benefits to more riders. Key elements of the new program are summarized in the following table.

New Low Income Program Benefits <i>(to be phased in over the next 24 months)</i>					
Individual Benefits (Choice of one each month)					
Pass Type	Pass Amount	New Subsidy per Month	New Subsidized Pass Price	% Off Pass Price	Total Discount *
Regular Fare 30-Day or Regular Fare 7-Day <i>(four weeks per month)</i>	\$100	\$24	\$76	24%	24%
	\$25	\$6 <i>(four times per month)</i>	\$19	24%	24%
College/Vocational Pass 30-Day	\$43	\$13	\$30	30%	70%
Student 30-Day Pass	\$24	\$10	\$14	42%	86%
Senior/Disabled 30-Day Pass	\$20	\$8	\$12	40%	88%
20 Rides <i>(per month)</i>	<i>Option available as an alternative to pass purchase. Applicable to all rider categories.</i>				
Agency Benefits					
<ul style="list-style-type: none">Taxi Coupons and/or Vouchers, not counted against individual benefits above. Some short term transit benefits are anticipated as well (e.g., day passes).					
Total Budget	\$14 million in First Year				

*Includes: 1) reduced fare discounts already available to that rider category, and 2) an additional low income subsidy benefits.

Details on the new program, including comparison with the current fare subsidy programs, are described in further detail below.

- Consolidation of Transit Benefits for Individuals – RRTP provides a discount off a weekly or monthly pass while the INTP provides tokens for individual trips. Individuals may not participate in both programs so must choose to register in one or the other, receiving either the pass discount or tokens. The revised program will allow participants to choose which benefit meets their needs each

month. Further, very few types of trips or trip purposes qualify for tokens under the INTP program. The revised program will no longer consider trip purpose, making all trips made using transit eligible.

- Increased Subsidy Amount – RRTP provides \$10 off a full-fare pass, and \$6 off a reduced fare (senior/disabled, college/vocational, or student) pass. INTP provides an average of 10 tokens (rides) per person per month. Under the new program, pass discounts will increase to \$24 for full-fare customers and \$13, \$9, or \$8 for reduced fare; or, a monthly ride benefit of 20 rides.
- Simplify Participant Eligibility Process – Customers are required to appear in person twice a year for RRTP coupon distribution, and monthly for INTP token allocation. Under the revised program, participant eligibility will be determined once per year at any time during the year to allow the customer to receive benefits for 12 consecutive months.
- TAP Integration – Today subsidies are provided in the form of paper coupons (RRTP) and tokens (INTP). When fully implemented, the new program will provide participant benefits through a customer's enrolled TAP card, streamlining and improving the experience for customers, agencies, vendors, and Metro staff.
- New TAP Ride-Based Option – Tying customer benefits to a TAP card allows for a new ride fare product to replace the tokens issued under the INTP today. Under the revised program, the customer can choose either a discounted pass product or the TAP rides each month. This enhancement will allow the customer to receive full benefit of the Metro two hour transfer that is not supportable with the tokens used today.
- Convenient Access to Program Benefits – Customers will be able to utilize taptogo.net as well as the entire TAP vendor network for redeeming their pass or ride benefits under the revised program.
- Refocused Taxi Element – The taxi element of the revised program will focus on agencies rather than individuals, and on specific critical trip purposes. Today, individuals may receive taxi coupons from participating agencies that can be utilized at any time and for any reason. The new program will provide access to taxi services to approved agencies/organizations like hospitals and shelters to call upon on behalf of their members to provide trips categorized by mobility limitations, urgency, or safety. A member's enrollment in the transit subsidy

element of the new program will not prevent them from receiving taxi services initiated by an agency on their behalf.

IMPLEMENTATION TIMELINE

The new Low Income Fare Subsidy program was approved by the Metro Board in May 2017. Implementation of the new program is anticipated to occur in two phases beginning in January 2018. The first phase will consist of program policy changes that can be implemented without TAP enhancements/modifications including taxi or similar service provision and increases to subsidy levels, culminating in the issuance of an RFP in FY19 for new third party administrators. The second phase will incorporate the remaining TAP program elements and will also begin in January 2018 but will take longer to implement as improvements to the TAP vendor network are rolled out countywide.

Local Return

Comment (Main Points)	Response (Y/N/M/A)	Name
Ride Hailing Services		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Include shared-ride hailing services.	(Y) Guidelines revised	South Bay Cities COG West Hollywood Westside Cities COG
Oppose Local Return Floor		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Oppose any Local Return floor.	(Y) Guidelines revised	American Heart Association Community Health Councils Michael Hayes Investing in Place Safe Routes to School
Local Return Allocation		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Supports the inclusion of the daytime population and employment population in the definition of population for local return allocation.	(N) Not recommended	Culver City West Hollywood Westside Cities COG
Miscellaneous Comments on Local Return		
The language urging the coordination of Measure M Local Return funded projects should be expanded and placed in other guidelines with incentives for inter-jurisdictional coordination.	(M) Final decision to be made by Board on 6/22.	Gateway Cities COG
Use (resident) population for calculating Local Return funding and no minimum allocation.	(Y) Guidelines revised	Las Virgenes Malibu COG
The North County believes that there should not be an "off the top" minimum funding floor for local return.	(Y) Guidelines revised	North County Transportation Coalition (NCTC)
Do not object to the Local Return proposal of \$100,000 annual minimum allocation.	(N) Not recommended	San Gabriel Valley COG
Suggests that the Metro Board of Directors encourage or incentivize entities receiving Local Return funds to spend a portion of the funding on operating and capital projects that improve access and mobility for older adults and people with disabilities.	(Y) Local Return guidelines allow for this use.	Access Services
Bellflower's estimated annual allocation is \$1.1M. Based on the recommendation being made, how will this amount be allocated to Bellflower in FY17-18?	(Y) Response provided	Bellflower
Revise Streets and Roads to include, but not limited to: Repair and maintenance of public roadways, pavement maintenance, slurry and rubberized seals, chip seals, pot-hole repair, pavement rehabilitation, or other pavement preservation treatments, roadway construction or reconstruction, utility undergrounding, curb, gutter, sidewalk, trees, roadway signage, median, parkway improvements, and storm drain systems in connection with any roadway improvements.	(Y) Guidelines revised	Downey
The definition of Active Transportation should be expanded beyond "non-motorized, human-powered mode of transportation..." described in the Local Return section. This specificity excludes other current and future "slow speed" modes and the facilities to improve the safety of their use in public rights-of-way.	(N) Other modes allowed by other sections of guidelines.	Eco Rapid Transit
The language urging the coordination of Measure M Local Return funded projects should be expanded and placed in other guidelines.	(M) Final decision to be made by Board on 6/22.	Eco Rapid Transit
There should be no required set-aside expenditure for any eligible use. The Guidelines language regarding lapsing and reserve fund provisions should reflect the fact that some local agencies will have to bank substantial Local Return funds in order to meet their 3 percent contributions to transit projects.	(N) 3% guidelines allow for default use of Local Return without the need for banking of funds	Los Angeles County Public Works
The Guidelines language regarding lapsing and reserve fund provisions should reflect the fact that some local agencies will have to bank substantial Local Return funds in order to meet their 3 percent contributions to transit projects.	(N) 3% guidelines allow for default use of Local Return without the need for banking of funds	Los Angeles County Public Works
The County does not object to a reasonable, equitable minimum floor to assist small-population cities; however, the other proposed factors would be unfairly detrimental to County unincorporated residents.	(Y) Minimums and other factors not recommended	Los Angeles County Public Works
The Guidelines should not permit sub-regions to aggregate the local return funds of jurisdictions within its boundaries and distributing funds based on a formula of the sub-regions' choice.	(N) Subregional reallocations not prohibited in guidelines	Los Angeles County Public Works
Regarding the Local Return allocation, it is the City's preference that Measure M be implemented as was voted by the people of Los Angeles County (i.e. no consideration for a minimum allocation to smaller cities). Additionally, should a minimum allocation amount be approved, it should be no greater than \$100,000.	(Y) No minimum recommended	Pomona
No objection to \$100,000 annual minimum allocation, however is not in favor of increasing this amount beyond the current recommended \$100,000 minimum.	(N) Not recommended	Santa Clarita Local Transit Systems Subcommittee (LTSS)
Consideration of a \$500,000 minimum funding level for small cities that can demonstrate: 1) they have roads classified as truck routes and bus routes; and 2) they can demonstrate that Measure M revenues collected from the city exceeds the amount it receives in local return. 3.) Cities that do not meet the criteria in A and B above receive funding based on the per-capita formula	(N) Not recommended	Signal Hill Vernon

Local Return

Comment (Main Points)	Response (Y/N/M/A)	Name
Local return allocation for various cities in the county should be used first for locally managed light rail connections to existing metro lines. Light and heavy rail alternatives to highway travel should be the #1 focus for Metro	(N) Cities prioritize projects and programs for funding.	Alexander Barber
A floor for local return should not be set; however, there is also concern that cities will not have enough to perform projects. Therefore, rather than having a five year lapsing requirement, I would change it to five years or \$1,000,000 without Metro approval to create a capital reserve fund.	(N) Not recommended	Hank Fung
Measure M should make Transportation Network Companies eligible for local return.	(Y) If contracted by city for eligible use	Hank Fung
Clarify if new cities incorporated after 2016 are eligible to receive Local Return.	(Y) New cities would qualify	Hank Fung
Encourage Metro and local jurisdictions receiving local return funds to incorporate affordable housing into major capital projects, and to analyze concurrently with the environmental process for any project both the compatibility of the current land use regulations with the goals of the project.	(M) Noted. This issue of TOCs is currently being reviewed for the relationship between affordable housing and transit riders.	Joseph Sanderson
Prefer Measure M funding to be used to support efficient, sustainable and effective forms of mobility.	(Y) At city's discretion	Michael Hayes
Since the Local Return funds are managed by the cities and unincorporated areas of Los Angeles and are most flexible in its eligible used, these jurisdictions must be held accountable to fund projects that reflect their community's priorities. We commend LA Metro for prioritizing projects that align with existing community plans and policies - such as Vision Zero and Complete Streets - which provides data-informed and community-driven models for equitable transportation planning.	(Y) At city's discretion	Advancement Project California
Draft guidelines lack clarity on how TOC is defined.	(M) Noted. This issue of TOCs is currently being reviewed for the relationship between affordable housing and transit riders.	Community Health Councils
Believe the Guidelines should include strong policies to prioritize equity through Local Return in Transit-Oriented Communities, which includes preserving existing affordable housing, as well as developing more high quality affordable housing.	(M) Noted. This issue of TOCs is currently being reviewed for the relationship between affordable housing and transit riders.	Community Health Councils
Provide further guidance on best management practices for delivering multi-benefit Local Return investments; establish performance metric tracking and incentivize improvements. Make sure that all local jurisdictions have sufficient access to information regarding recommended practices for making streets green and complete.	(Y) At city's discretion	EnviroMetro
Provide tools that help jurisdictions identify opportunities for multi-benefit investments, and establish a performance metric tracking system to help them monitor their progress across several indicator areas, such as urban heat and quality of pedestrian and bicycle infrastructure.	(Y) At city's discretion	EnviroMetro
The draft guidelines include eligibility for Transit-Oriented Communities in Local Return, however what this means is not clearly defined. However, Investing in Place supports this holistic approach over traditional Transit-Oriented Developments.	(Y) Guidelines revised to reference Metro TOC policy. Measure M is for transportation. This issue of TOCs is currently being reviewed for the relationship between affordable housing and transit riders.	Investing in Place
The Guidelines should explicitly support local return investments into not just the creation but the preservation of existing affordable housing in order to ensure existing transit dependent residents can remain in TOCs.	(Y) Guidelines revised to reference Metro TOC policy. Measure M is for transportation. This issue of TOCs is currently being reviewed for the relationship between affordable housing and transit riders.	Investing in Place

Local Return

Comment (Main Points)	Response (Y/N/M/A)	Name
<p>We recommend that eligible TOC investments include those that:</p> <ol style="list-style-type: none"> 1. Support the development and preservation of affordable housing, as defined in Metro's joint development policy, in TOCs; 2. Support the inclusion of small businesses in mixed use buildings in TOCs; 3. Help remove land use barriers to transit oriented development; 4. Implement best practices and policies for sustainable and transit-supportive land uses across a variety of neighborhood typologies; and 5. Otherwise ensure inclusive and equitable transit oriented communities for those at all income levels. 	(N) Ordinance stipulates specific eligible transportation uses which do not include housing. However, funds could be used for Transit Oriented Communities (TOC). Transportation investments (public transit, first mile/last mile, etc.) that support access to or through TOC or other affordable housing sites are eligible; also, Local Return can fund TOC planning efforts that would link housing to transportation investments.	LA Thrives/Enterprise
The guidelines for TOC local return funding should have equity and affordability as an explicit goal and expand potential TOC investments to include the preservation of existing affordable housing near transit.	(M) Noted. This issue of TOCs is currently being reviewed for the relationship between affordable housing and transit riders.	Los Angeles County Bicycle Coalition
Provide further guidance on how cities may use multi-benefit Local Return investments, establish performance metric tracking, and require annual audits.	(Y) Annual audits are required.	Los Angeles County Bicycle Coalition Prevention Institute Valley Industry & Commerce Association
We urge Metro to consider how to use Measure M to create and preserve transit-oriented communities and urge development that does not displace core transit riders and preserves Los Angeles' existing affordable housing while creating incentives to build new affordable housing.	(M) Noted. This issue of TOCs is currently being reviewed for the relationship between affordable housing and transit riders.	Neighborhood Housing Services of Los Angeles County
Metro's language on TOCs does not consider housing affordability, which is an essential component of a sustainable future for Los Angeles.	(M) Noted. This issue of TOCs is currently being reviewed for the relationship between affordable housing and transit riders.	Neighborhood Housing Services of Los Angeles County
We encourage the board to emphasize in the Measure M guidelines the possible uses for local return funding, and that these uses include mechanisms to create and preserve affordable home opportunities. We recommend that 15% of local return funding go toward affordable transit-oriented communities.	(N) - Cities have requested maximum flexibility in use of funds	Neighborhood Housing Services of Los Angeles County
Local return funds are available for "street" repair but it's unclear whether the definition of street includes alleys. Please ensure that local return funds can be used for much-needed alley repair.	(Y) All public streets and roads, including public alleys, are eligible	Palms Neighborhood Council
Furthermore, the Guidelines should clearly articulate definitions for any use of terms like "fair" or "equitable" that are not based on advancing social equity, safety, or other policy objectives.	(N) Some terms can't be comprehensively defined	Safe Routes to School
Consider making the Local Return program subject to review by the Independent Tax Oversight Committee.	(Y) It will be	Valley Industry & Commerce Association

ADA/Paratransit and Senior/Student Discounts

Comment (Main Points)	Response (Y/N/M/A)	Name
Public Participation		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Allow for additional public participation, similar to processes proposed in various other investment categories.	(N) - The split allows for the flexibility in funding each of these programs	Advancement Project CA Investing in Place
Miscellaneous Comments on ADA/Paratransit and Senior Student Discounts		
Allow any operator including local dial-a-rides to access funding for ADA.	(N) - Local Dial-A-Rides are eligible for Local Return	Gateway Cities COG
Amend the Allocation Methodology section so that it is clearer what the ongoing split should be between these two worthy uses and that ADA paratransit, which is a federal civil rights mandate that must be funded by the region, is guaranteed a steady, dedicated funding source.	(N) - The split allows for the flexibility in funding each of these programs	Access Services
Add the following language: "Up to 10% of the ADA paratransit funds may also be used for activities that encourage the use of other transportation options (besides ADA paratransit) by older adults and people with disabilities, such as Travel Training and other similar programs in coordination with Metro.	(Y) - Guidelines revised to include Travel Training programs or similar programs as eligible uses	Access Services
Measure M guidelines should be clear that at least 75 percent of the 2% ADA Paratransit/METRO Discounts pot should be dedicated to support ADA paratransit in Los Angeles County.	(N) - The split allows for the flexibility in funding each of these programs	Local Transit Systems Subcommittee (LTSS)
The proposed guidelines would allocate 75% of this 2% for ADA paratransit. I strongly believe this is too much, and too lopsided a distribution. At the very least, the funding through this 2% from Measure M should be a 50-50 split (50% to ADA paratransit, 50% for students/seniors/persons with disabilities to use fixed route).	(N) - The split allows for the flexibility in funding each of these programs. The leveraging of Measure M funds with our current subsidy programs results in a 50/50 split.	Ellen Blackman
I urge Metro to use some of these funds to provide other encouragement and incentives for the use of Metro and possibly other fixed route transit, whether through transit education and training, outreach to the affected groups, and improvements to bus stops and paths of travel to and from bus stops and rail stations.	(Y) - Guidelines revised to include Travel Training programs or similar programs as eligible uses	Ellen Blackman
We recommend clarification on whether the 25 percent for fare discounts is a minimum or a maximum because the language in the proposed guidelines is not clear.	(Y) - Guidelines revised provides for a minimum of 25% for fare discounts and maximum of 75% for ADA Paratransit.	LA Thrives/Enterprise
While we generally support reforming the existing underutilized fare subsidy program to serve more riders, we recommend taking another look at the overall funding proposal, which was not vetted with interested stakeholder groups that represent the affected communities.	(Y) - Guidelines revised provides for a minimum of 25% for fare discounts and maximum of 75% for ADA Paratransit.	LA Thrives/Enterprise
We recommend allowing for up to 1 year to establish sub-guidelines for this investment category to allow for additional public participation, similar to processes proposed in various other investment categories.	(N) - Sub-guidelines are not needed.	LA Thrives/Enterprise
Reconsider the proposed split of these funds (75%/25%) between people with disabilities and seniors/student programs with further input from stakeholders.	(Y) - With the leveraging of Measure M funds, the result is a 50/50 split.	VICA

3% Local Contribution for Transit Projects

Comment (Main Points)	Response (Y/N/M/A)	Name
First/Last Mile Projects		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
More flexibility is needed on what qualifies for the 3% set-aside for the major transit capital projects. There should be consideration for any expenditures that are accrued prior to the 30% plan completion. Additionally there should be consideration for the construction of housing or TOC development adjacent to the stations that provide direct or indirect system benefit such as: enhanced ridership, joint parking, pedestrian amenities, bicycle amenities and enhanced lighting and security.	(N) - To count towards the local contribution all first/last mile improvements must be included in the project cost estimate at 30% final design and consistent with station area plans developed by Metro in coordination with the local agency.	Gateway Cities COG Culver City LADOT Eco Rapid Transit VICA
Local Contribution Cost Share		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Will there be an adjustment for the 3% contribution based upon the profile of the alignment contained within or adjacent to the jurisdiction?	(N) - To the local contribution will be 3% of the total project cost estimate at 30% final design.	Eco Rapid Transit Gateway Cities COG
In-Kind Contribution		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
"In kind" local contributions should include the cost of staff time from the commencement of the environmental phase through the end of the warranty period.	(N) - The Guidelines state; "In-kind contributions are eligible to satisfy 3% local contribution...if calculated in the project cost." Staff time (e.g. plan review, inspection services...) would be eligible if those costs are specifically included in the estimated project costs at the conclusion of 30% final design	San Gabriel Valley COG Westside Cities COG Metro Gold Line Foothill Extension Construction Authority LA County Public Works
Miscellaneous Comments on 3% Local Contribution		
Projects that are determined to "SC" should be exempt from the 3% local contribution particularly when the construction of these projects is deemed to benefit the entire County. The Ordinance dictates that any project savings from "SC" projects goes to fund other "SC" projects, if this were to include a 3% local contribution, it would be unfair to the contributing jurisdiction.	(N) - Benefits to local agency from new stations occur with SC project and the local contribution requirement applies.	Gateway Cities COG
The language for the opt-out provision requires more specificity as to what may be negotiated or what the parameters are for failing to reach "a timely agreement".	(N) - The Ordinance and Guidelines specify the opt-out provision.	Gateway Cities COG
The criteria for local first/last mile investment contributions should be developed in a collaborative manner by MTA in conjunction with the COGs and LA County cities that will bear the responsibility for implementing these improvements. There should be an ability to negotiate, on a case by case basis, an additional transportation project investment after the conclusion of the 30% PE. Flexibility to work with private developers interested in improving station access/safety/security should not be arbitrarily rejected after PE.	(N) - To count towards the local contribution all first/last mile improvements must be included in the project cost estimate at 30% final design and consistent with station area plans developed by Metro in coordination with the local agency.	Gateway Cities COG
"Betterment work" funded by the local agency should be counted towards the 3% local contribution.	(N) - Betterments are defined by Metro Policy and excluded by the Ordinance.	San Gabriel Valley COG
Preliminary engineering (30% plans) need to have language to address projects that have already exceeded this point.	(M) For those few projects that are beyond 30% final design Metro and the jurisdiction will need to enter into an agreement that identifies the amount to be paid.	San Gabriel Valley COG
The Guidelines then exclude local funding of a "betterment" for credit against the 3% local contribution.	(N) - Because the betterments are beyond the project 30% final design and the benefits are limited to third parties, there is no justification to include the increased cost of those betterments in the local contribution.	Westside Cities COG

3% Local Contribution for Transit Projects

Comment (Main Points)	Response (Y/N/M/A)	Name
Any funds that a City spends on any first/last mile and active transportation projects that would improve or support access to a light rail station (or a future light rail station) should be considered as part of the City's 3% contribution.	(Y) - To count towards the local contribution all first/last mile improvements must be included in the project cost estimate at 30% final design and consistent with station area plans developed by Metro in coordination with the local agency.	Westside Cities COG
For projects where station locations are still quite speculative, and the environmental review process has not yet been done, flexibility should be given to local jurisdictions to negotiate with Metro on the amount of contribution and types of contribution.	(N) - Local contribution will be determined at the completion of 30% final design which will be completed with local agency coordination.	Culver City
Allow for a sub-regional authority to participate in the local contribution funding plan.	(Y) – Allowed in the Guidelines.	LA County Public Works
Any 3 percent local contribution amount attributed to an unincorporated County of Los Angeles area shall be an obligation of the Supervisorial District in which the project is located and not of the unincorporated County of Los Angeles as a whole.	(Y) - Allowed in the Guidelines Section VII	LA County Public Works
Additional guidance should be developed to provide a reasonable mechanism for satisfying the 3 percent requirement through in-kind contributions or active transportation and first/last mile investments.	(Y) additional guidance on the application of first/last mile improvement to the 3% contribution is pending and will be completed in 2018.	LA County Public Works
The Measure M Guidelines should not apply to projects which have already concluded preliminary engineering (30% plans) as of the date that the Guidelines are adopted.	(N) - The Guidelines state; "In-kind contributions are eligible to satisfy 3% local contribution...if calculated in the project cost at 30% final design."	Metro Gold Line Foothill Extension Construction Authority
The City of West Hollywood supports the concept that any funds that the City spends on first/last mile and active transportation projects that would improve or support access to a light rail station (or a future light rail station) be considered as part of the City's 3% contribution.	(Y) - To count towards the local contribution all first/last mile improvements must be included in the project cost estimate at 30% final design and consistent with station area plans developed by Metro in coordination with the local agency.	West Hollywood
Opt Out Option – The language for the opt-out provision requires more specificity as to what may be negotiated or what the parameters are for failing to reach "a timely agreement"	(N) - The Guidelines specify the opt-out provision.	Eco Rapid Transit
We encourage the Board to consider exceptions to this requirement when a locality's median household income is below \$50,000 and create a process for them to apply to use County funds to meet their 3% requirement.	(N) – The Guidelines state; "In some cases, principally in smaller cities, the default withholding of 15 year of local return from only Measure M Local Return Funds will be less than a formal 3% contribution."	Neighborhood Housing Services of Los Angeles County

Project Readiness and Eligibility

Comment (Main Points)	Response (Y/N/M/A)	Name
Countywide BRT Expansion		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Countywide BRT Expansion Should Not Exclude Municipal Operators	(Y) Guidelines have been revised for clarity; not limited to Metro.	NCTC Westside Cities COG Santa Clarita
Shovel-Ready and Phase Eligibility		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
The guidelines are unclear what constitutes a "shovel-ready" project. Communities with projects in the pipeline need certainty as to what is eligible for funding. Currently, it is not clear if only the construction itself is eligible or if planning is also eligible. Please clarify those definitions in the final version.	(Y/A) - Guidelines have been revised for clarity. Project Readiness will apply to separate phases of project. Readiness thresholds will be determined for planning, environmental, right of way, and construction, and will be defined as appropriate for each funding category. Administrative procedures will be developed.	LA DOT LVMCOG San Gabriel Valley COG South Bay COG Westside COG Investing in Place LA County Public Works Palms Neighborhood Council Santa Clarita West Hollywood
Guideline Development		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Develop more detailed guidelines over the next year to maximize the program benefits of the Countywide Active Transportation Program. The final guidelines should include a concrete transit equity policy in the Long Range Transportation Plan (LRTP) and include mechanisms to advance equity in the implementation of Measure M programs, such as prioritization and/or set-asides in funding programs.	(M/A) - Guidelines have been revised for clarity, a 5 year plan process, and additional criteria will be developed and will be considered as part of the LRTP process.	ACT LA Community Health Councils Investing in Place Los Angeles County Bicycle Coalition Prevention Institute
Performance Measures		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Orient competitive funding programs to meet critical needs and leverage multi-benefit investments. Require that performance criteria be developed so that funded projects meet clearly identified objectives such as: network connectivity, multi-modal mobility, sustainability, safety, equity, and community engagement.	(M/A) - Guidelines have been revised for clarity, a 5 year plan process, and additional criteria will be developed and will be considered as part of the LRTP process.	Investing in Place Los Angeles County Bicycle Coalition
Miscellaneous Comments on Project Readiness		
Clarification how multi-year, partially funded projects achieve a state of project readiness.	(Y) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Gateway Cities COG
Consideration for project acceleration should also include the potential for a project to be included or to receive funding from special or one-time state or federal programs.	(Y/A) - Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	Gateway Cities COG
Transit Contingency Subfund - It is important that a Contingency fund from net revenues assigned to each mode not result in projects first in line automatically receiving funds, to the detriment of projects slower to develop.	(Y/A) - Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	Gateway Cities COG
All interchange projects where the PSR/PDS/PAEDs are funded through Measure M must consider Expresslane alternatives according to the Guidelines. What happens if an Expresslane is found to be feasible and desirable but costly (right-of-way acquisition). How, or will, it be advanced or funded to construction?	(Y) - Some Program Eligibility areas will have competitive elements. Guidelines have been revised for clarity. For others COG 5 year plan process, and additional procedures will be developed.	Gateway Cities COG
The definition of Active Transportation should be expanded beyond "non-motorized, human-powered mode of transportation..." described in the Local Return section. This specificity excludes other current and future "slow speed" modes and the facilities to improve the safety of their use in public rights-of-way.	(M) - Some Program Eligibility areas will have competitive elements. Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	Gateway Cities COG

Project Readiness and Eligibility

Comment (Main Points)	Response (Y/N/M/A)	Name
2% System Connectivity Projects (Highway) states that; "The Measure M Expenditure Plan already includes the 1-710 South Phase 1 and 2 and the 1-105 Expresslane Projects which are to be funded with the Highway 2% System Connectivity Program." Of the two projects, only the 1-105 Expresslane project is actually designated as a "SC" project. Is the intention to make the 1-710 phases compete with other projects for the 2% System Connectivity Projects, or is the 1-710 a "major project" assigned to the Gateway Cities Subregion that accrues revenue over time and as project component pieces are ready? Or is the 1-710 project eligible for both? Will the 1-105 Expresslane Project and the 1-710 compete for funding?	(M) - I-710 is a major project. The Expenditure Plan identifies funding and timing for all major projects and programs. I-105 is fully funded in the Expenditure Plan. If I-710 scope is not fully funded it can compete for additional SC funds.	Gateway Cities COG
Visionary Project Seed Funding - The applicant pool should be expanded to include cities, COGs and groups of cities as well as organizations that chose to partner with a government entity to develop or present a visionary project. The match be reduced to 20% and allow for in-kind contributions including staff.	(N) Some program eligibility areas will have competitive elements. Plan process, criteria and additional procedures will be developed.	Gateway Cities COG
The Draft Guidelines regarding Subregional Equity Funds should not allow MTA to meet its obligations using "any combination of federal, state or MTA controlled funds including, but not limited to, Measure M."	(Y) Debt service is considered as part of cashflow for all capital. (M) Metro will seek concurrence on fund combinations.	Gateway Cities COG
Regional Rail, the only area where specific program standards are required for the support of the additional 1% regional rail funding allocation. The guidelines do not recognize the multi-county nature of SCRRRA but impose specific performance measures that presumably the agency must comply with in order to receive the funding.	(Y) - Clarity provided on regional rail performance.	Gateway Cities COG
Similar to Measure R, the Measure M guidelines should include some protection for funds within a subregion and for transfers between transit and highway subfunds. Due to the subregional equity intended to be built into the measure, it is important that funds assigned to a subregion stay within that subregion when reassigned to other projects.	(Y) - Funds assigned to a subregion will stay within the subregion	North County Transportation Coalition (NCTC)
Clarify Funding Source for I-10/Robertson Improvements	(Y) - Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	Westside Cities COG
Add Local Transit Service to First/Last Mile Eligible Projects	(N) Must be capital per the Measure M Ordinance.	Westside Cities COG
The subregional Equity Funds should be made available to all the subregions, when the funding for the San Fernando Valley sub-regional equity project becomes available.	(Y) - Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	Culver City
Projects under the Subregional Equity Fund category should be developed by the subregions (COGs). The guidelines should not impose any special project readiness or local contribution requirements for these funds.	(Y) - Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	Culver City
Visionary Project Seed Funding: this is a laudable expenditure of funds and also verification that Measure M funds can be used for more than capital expenditures. The match should be reduced to 20% and allow for in-kind contributions including staff.	(M) - Additional procedures and criteria will be developed.	Eco Rapid Transit
The final guidelines should clarify that Metro's Complete Streets Policy applies to all funding programs, including multiyear subregional programs, and define Metro's oversight role to ensure compliance.	(M) - The intent of Complete Streets Policy is broadly applicable to future funding programs. Subsequent detailed program guidelines will consider specific applicability.	LADOT Safe Routes to School
The purchase of land for parking off of PCH would result in improved regional mobility, traffic flow, trip reliability, travel times and enhanced safety which by definition should qualify the project for Highway Efficiency and Operational Improvements funding. Add "the purchase of land or parking lots to improve safety and mobility" under the list of eligible projects for Highway Efficiency and Operational Improvements funding.	(M) - Acquisition of property/right-of-way must be financially reasonable and proportional to the cost of the project. A Benefit/Cost analysis will be required by Metro and shall be submitted by the City to support feasibility of the project. In subregional projects, Metro will determine the feasibility of the project and justifiable expenditure of Measure M funds. The COG will ensure the expenditures, if approved by Metro, are within the City's allocation.	Malibu

Project Readiness and Eligibility

Comment (Main Points)	Response (Y/N/M/A)	Name
We ask that Metro consider that the regional rail system's ability to perform according to the guidelines is affected by: • Metro contributions to maintenance and rehabilitation over time; and • Metro requests related to service (e.g., certain types of service may affect farebox/revenue recovery)	(Y) - Considered and agreed.	Metrolink
Expand eligibility in the Active Transportation Program to explicitly include investments in programmatic and non-infrastructure activities, such as safe routes to school. Metro recently completed a robust Safe Routes to School Pilot Program to initiate and help sustain safe routes to school programs at ten schools across Los Angeles County.	(N) - Measure M program funds are eligible for capital and specified pre-development activities.	Safe Routes to School
Set aside money within the Countywide Active Transportation Program for ongoing Metro program needs, including safe routes to school non-infrastructure programs. While the 2% dedicated local funding for walking and biking through Measure M is a significant milestone, the amount falls well short of the need, especially in underserved communities.	(M) - Note that Active Transportation is pending detailed program guidelines	Safe Routes to School
Funding Plan, Community/Council Support: The Local Agency should not have to identify a match fund source in their Capital Improvement Program until the year the Local Agency is prepared to award the project.	(Y) - Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	Santa Clarita
Regional Rail: The City supports the increase the allocation from 1% to 2% beginning in 2039.	(Y) - Guidelines reflect the increase in allocation subject to Board evaluation and consideration	Santa Clarita
Eligible projects for Greenways and Green Streets: projects should be connected or germane to some type of travel and not detached park or open space improvements.	(Y) - Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	Santa Clarita
Metro Active Transportation 2% does not directly indicate that funds will be available to all jurisdictions for bike share programs. Can you clarify who will be able to receive these funds?	(M) - Note that Active Transportation is pending more detailed program guidelines, that bike share capital will be eligible, and procedures to access funding to be determined.	Santa Clarita
The Guidelines for TOC local return funding should 1) have equity and affordability as an explicit goal and 2) expand potential Transit Oriented Community (TOC) investments to include the preservation of existing affordable housing near transit. Affordable housing preservation strategies are critical to ensuring existing transit dependent residents can remain in TOCs and will likely be able to reach more units and residents than a production strategy with the same funding level could.	(Y) - Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	ACT LA
The final guidelines should avoid distributing funding to any program on a "first come, first served" basis. Many of the most needed projects are in communities that do not have the capacity to jump to the front of the line; however the inclusion of authentic community engagement and a data-driven prioritization process can ensure that the most effective projects are identified.	(Y) - Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed, including community engagement.	Community Health Councils
First allocate stable funding for ongoing Metro countywide program needs. Next, Metro should target assistance to planning and project development in disadvantaged communities to help level the playing field in terms of resources for active transportation as well as to increase the region's competitiveness for state and federal funding programs. Finally, Metro should focus its limited resources on supporting innovative pilot projects that can advance the state of the practice for active transportation projects and programs in Los Angeles County.	(M) - Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	Community Health Councils Investing in Place
Include recreational transit eligibility in all operations subfunds. This includes transit service to parks and open space. Recreational transit is only named as an eligible expense in the Local Return section; however, other subfunds that support transit service expansion should also explicitly allow recreational transit service	(M) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Los Angeles County Bicycle Coalition
All subregions should conduct a transparent process for prioritizing additional funding from the Subregional Equity Program with robust public participation. Before allocating any Subregional Equity Program funding, Metro should work with each subregion to identify which projects and programs are priorities.	(Y) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Los Angeles County Bicycle Coalition
All projects and programs funded with Measure M funds must prioritize pedestrian and bicycle safety. The Guidelines should support Vision Zero policies pursued by jurisdictions throughout Los Angeles County.	(M) - Guidelines have been revised for clarity, a 5 year plan process, and additional criteria will be developed.	Joseph Sanderson Safe Routes to School
Expand eligibility to include funding for planning, community participation, and non-capital activities. The Guidelines should clarify eligibility for a range of programmatic and non-infrastructure solutions that are cost-effective and often equally as impactful as capital projects.	(Y/A) - Guidelines have been revised for clarity, a 5 year plan process, and additional criteria will be developed.	Safe Routes to School

Project Readiness and Eligibility

Comment (Main Points)	Response (Y/N/M/A)	Name
Prioritize current Metro policy objectives that support strategic and equitable investments and do not rely on project readiness. Projects should be selected based on the project quality, ability to address inequity, and the impact on objectives such as safety, connectivity, and input received via thorough community engagement.	(M) These considerations will be part of the Long Range Transportation Plan Process	Safe Routes to School
Encourage Metro to pursue projects that include all of the identified BRT features in order to maximize improvement in travel time and customer experience. Include DASH and private shuttles as eligible to use BRT lanes.	(M/A) The development of the BRT study will help determine priorities.	VICA
Ensure that Metro's "Operation Shovel Ready" pipeline leverages new public and private funding opportunities and competitive timelines.	(Y) Alternative funding opportunities are allowed where appropriate.	VICA
Countywide Bus Rapid Transit Expansion (Page 5) Include "Earlier projects coming in under budget" as an event that could trigger acceleration of other projects.	(M/A) The development of the BRT study will help determine priorities.	VICA
Contingency Subfunds (Page 17) Support the use of these funds to allow for advance work on projects listed.	(N) See Section VII	VICA
Support Metro's active transportation program and integration with first/last mile policies. Consider providing an incentive for those programs which assist seniors.	(M/A) note that Active Transportation is pending more detailed program guidelines, that bike share capital will be eligible, and procedures to access funding to be determined.	VICA

Multi-Year Subregional Programs

Comment (Main Points)	Response (Y/N/M/A)	Name
Parity of MSP Funding		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Sub-regional capital funds should not be considered subordinate obligations that are conditionally programmed funding after Metro Administration, Transit Operating & Maintenance, and Local Return/ Regional Rail Sub-fund needs are met. COGs should also be allowed to use Sub-regional funds to assist lead agencies in preparing project applications for any applicable federal, state and regional transportation grant programs that are consistent with Measure M eligibility requirements. Projects be funded through Measure M for project development and delivery and be prioritized and sequenced for Measure M and other matching funds. MSPs should have the same priority for programming as the other primary funding categories listed in the Ordinance.	(Y/M) Consistent with the Ordinance's assignment of funding purposes to capacity subfund account, the availability of funds for MSP investment is prioritized equal to the other Highway and Transit Capital subfunds. Actual disbursements of capital funding irrespective of subfund is subject to Cash Flow policies established in the Guidelines.	Gateway Cities COG Las Virgenes-Malibu COG South Bay COG
MSP Subregional Planning Process		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Need a project development process (5 year), including public outreach, that allows for new projects and revisions to projects previously submitted that involves the subregions.	(Y) A new process has been inserted in to the Guidelines to coordinate project within the framework of five-year plans. Plans will be developed in each MSP in the Expenditure Plan to ensure accountable and responsive subregional project identification, selection and delivery and will include meaningful public outreach.	Gateway Cities COG Las Virgenes-Malibu COG San Gabriel Valley COG South Bay COG Westside Cities COG West Hollywood LA County Public Works LA County Public Health Local Transit Sys. Subcom. Investing in Place Advancement Proj. Calif. LA County Bicycle Coalition
Measure M Funding for Development of Subregional Project List		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Allow subregions to use Measure M MSP funds to develop sub-regional five-year plans.	(Y) - Guidelines have been revised to allow up to 0.5% of MSP funding per year, per individual MSP program for program development by the subregion.	South Bay COG Westside Cities COG LA County Public Health LA County Public Works Investing in Place
MSP Funding Debt Service		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
There needs to be consideration for debt service to support the delivery of MSP programs. The Guidelines should ensure that Metro will not approve loans without prior COG approval and that such approval will not be unreasonably withheld by the COG or Metro.	(Y) Metro can bond per the Cash flow (Section VI) of the Guidelines to address any MS cashflow needs in aggregate. However bonding authority is retained by Metro.	Gateway Cities COG Las Virgenes-Malibu COG San Gabriel Valley COG South Bay COG Westside Cities COG Eco Rapid Transit
Project Readiness		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Metro and the COG should review project applications and clarify any items necessary with the project sponsor to determine project readiness and eligibility for pre-construction or construction activities. Authorization to proceed should require concurrence of the COG and Metro Board of Directors. Smaller jurisdictions may have difficulty advancing projects for competition under the existing MSP project readiness standards.	(Y) COG will be consulted and coordinated with in selection of projects and in shifting funds for projects and programs. Local Return funds can be used to implement transportation planning efforts	Gateway Cities COG South Bay COG American Heart Association Santa Clarita Bike Coalition VICA
Project Sponsor and Local Match		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Sub-regional projects should not require a project sponsor match.	(Y) Does not require, but supplemental funds may be needed where funding is insufficient.	Gateway Cities COG South Bay COG LA County Public Works
Subregional Equity Funds		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		

Multi-Year Subregional Programs

Comment (Main Points)	Response (Y/N/M/A)	Name
Projects under the Subregional Equity Fund category should be developed by the subregions (COGs). The guidelines should not impose any special project readiness or local contribution requirements for these funds. Project sponsors or subregions may choose to leverage Subregional Equity funding with other grant sources.	(Y) - Section XIX of the Guidelines clarifies funding availability and allowed uses.	Gateway Cities COG South Bay COG Westside Cities COG San Gabriel Valley COG Culver City LA County Public Works Eco Rapid Transit Investing in Place
Purchased Transportation Services		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Include acquisition of contracted transportation services required for the service delivery associated with the capital acquisition identified by the subregions. This approach is similar to that which is identified in the Federal Transit Administration (FTA) 5310 Traditional Capital Grant Program.	(Y) - Direct costs associated with the purchased transportation services needed to support a capital project is define as eligible in Section XIII of the Guideline	Local Transit Systems Subcommittee (LTSS) Pasadena West Hollywood
Changes to Measure M Guidelines and Subregional Boundaries		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
The Draft Measure M Guidelines allow the Metro Board to change the Subregional boundaries starting in 2047. Concurrence from the sub-regions should be required before the Guidelines or subregional boundaries are changed.	(M) - The amendment process is defined in Section III of the Guidelines which included public noticing.	Las Virgenes-Malibu COG San Gabriel Valley COG Westside Cities COG Culver City
First/Last Mile and TDM Eligibility		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
The First/Last Mile Measure M Guidelines should include as eligible programs, strategies that eliminate trips or support ridesharing.	(M) - As individual FLM plans and projects are developed, some TDM strategies may be considered.	South Bay COG Westside Cities COG Investing in Place Community Health Councils
Complete Streets and Safety Projects		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Metro's Complete Streets Policy is the primary mechanism for implementing this vision, yet the draft guidelines are vague about its applicability to some programs. The final guidelines should clarify that Metro's Complete Streets Policy applies to all funding programs, including multiyear sub-regional programs, and define Metro's oversight role to ensure compliance.	(M) intent of Complete Streets Policy is broadly applicable to future funding programs. Subsequent detailed program guidelines will consider specific applicability. The Guidelines as drafted consideration safety policies and best practices.	LA County Public Health Community Health Councils LA Thrives/Enterprise
Recreational Transit Eligibility		
<i>Multiple parties, as noted, presented comments related to the topic summarized below; with the accompanying response</i>		
Include recreational transit eligibility in all operations subfunds. This includes transit service to parks and open space, which are otherwise inaccessible to transit-dependent households, resulting in significant disparities in public health outcomes.	(M) - Pending subsequent program guidelines, access improvements to recreational and open space facilities may be eligible in some programs.	EnviroMetro Prevention Institute
Miscellaneous Comments on Multi-year Subregional Programs		
Could the transfer between Capital and Program subfunds affect or be affected by the creation of the contingency fund?	(N)	Gateway Cities COG
Will there be any reconciliation of yearly actual receipts within the five-year estimate of the cash flow model?	(M/A)	Gateway Cities COG Eco Rapid Transit
Develop a schedule for the creation of the outstanding guidelines and continue to engage all stakeholders in developing the individual guidelines.	(Y) - Appendix D of the Guidelines includes a timeline for developing the Administrative Guidelines	Gateway Cities COG
The SR-91/1-605/1-405 (1-605 Hot Spots) is a major transportation initiative (\$590 million allocated) under Measure R and a Multi-year Subregional Program (MSP) under Measure M, with an allocation of \$1 billion over 40- years.	(Y) - These projects are addressed in the Guidelines in Section X	Gateway Cities COG
All interchange projects where the PSR/PDS/PAEDs are funded through Measure M must consider Expresslane alternatives according to the Guidelines. What happens if an Expresslane is found to be feasible and desirable but costly (right-of-way acquisition). How, or will, it be advanced or funded to construction?	(M/A) Section X	Gateway Cities COG
Metro should only program Measure M funds for the "Subregional Equity Fund" program.	(N) Fund availability is clarified in Section XIX	Las Virgenes-Malibu COG
The definition for eligible uses for the "Highway Demand Based Program" should include park and ride facilities, as well as other ridesharing related facilities.	(M/A)	Las Virgenes-Malibu COG

Multi-Year Subregional Programs

Comment (Main Points)	Response (Y/N/M/A)	Name
The LVMCOG recommends that this term “pre-construction” be expanded to “planning and programming studies.” Adding the term “programming studies” will allow the Subregions through their respective COGs to develop Subregional project lists, and for subsequent project development and delivery. This will ensure that proposed projects complement each other and improve congestion and safety.	(M) Measure M is capital, not for project applications or entire life of project, but may be able to add additional project development costs.	Las Virgenes-Malibu COG
Project readiness is a critical factor in accessing funding under Measure M. The NCTC believes these guidelines should more adequately define project readiness for each phase of a project. In particular, the Multiyear Subregional Programs should have additional flexibility to ensure subregions can accomplish the various pre construction phases including environmental review, project design, and right-of-way acquisition with Measure M funds.	(Y) - Project readiness is fully described in the guidelines. At the on-set of projects, the project sponsor should identify the project schedule. Help will be available from metro and Caltrans. Once a reasonable schedule is set, the project will be expected to stay on that schedule.	North County Transportation Coalition (NCTC)
The "Arterial Street Improvements" multiyear subregional program for the North County, defined on Page 29 of the guidelines, should be adjusted to allow intersection treatments such as traffic signals and roundabouts. This subregional program should also include the ability to integrate complete streets concepts into arterial projects.	(M/A) 5 year plan process will be further developed. Recommended that project sponsors consult Metro staff early on to ensure the project is eligible for Measure M funds.	North County Transportation Coalition (NCTC)
Several programs lack sufficient definition to ensure subregions will be adequately able to compete for funds.	(M) note that Active Transportation is pending more detailed program guidelines, that bike share capital will be eligible, and procedures to access funding to be determined.	North County Transportation Coalition (NCTC)
Pre-construction activities are defined in the guidelines and include “planning studies”. SGVCOG recommends that this term be expanded to “planning and programming studies” to develop sub-regional project lists for corridor planning and coordination.	(N) Metro needs to retain bonding capacity for the entire Measure M Expenditure Plan. (Y) Metro will work with each impacted city to receive concurrence if federal funds are used for projects.	San Gabriel Valley COG
Do not allow Metro the ability to unilaterally determine the “Sub-Regional Equity Fund” to be met with something other than Measure M.	(N) Fund availability is clarified in Section XIX	San Gabriel Valley COG
“Highway Demand Based Program” should include park and ride facilities, as well as other ridesharing related facilities.	(M/A)	San Gabriel Valley COG
COGs and lead agencies need assurance that Metro will allow projects to have the funding that they need to proceed from development to delivery.	(M) Measure M is capital, not for project applications or entire life of project, but may be able to add additional project development costs.	South Bay COG
Metro should hold the sub-regions accountable for complying with the ordinance but it should not establish criteria beyond those needed to ensure legal compliance with the ordinance.	(Y) – needed to balance Expenditure Plan, but will coordinate with agencies.	South Bay COG
Sub-regions should be able to use Measure M funding for the entire life of a project—to develop sub-regional project lists, for corridor planning and coordination, and for subsequent project development and delivery.	(M) Subregional programs are not new developments and are similar to those set up in Measure R. Measure M has performance commitments for voters. Subregion cannot have sole purview.	South Bay COG
The Measure M Guidelines regarding Sub-Regional Equity funds should not allow Metro to meet its obligations using “any combination of federal, state or Metro-controlled funds including, but not limited to, Measure M. The guidelines need to require the agreement of the affected COGs that they can accommodate the requirements of funds from other sources. Borrowing or bonding against future Measure M revenues to fund the Sub-Regional Equity Funds should be considered in keeping with the ordinance directives.	(N) Fund availability is clarified in Section XIX. Concurrence is included. (Y) Metro can bond per Cash flow Section VI.	South Bay COG
The Visionary Project Seed Funding Guidelines should recommend that funding in this category be made available to any organization that presents a visionary project idea. The match should be no more than 20% and the Guidelines should allow for in-kind contributions including staff efforts by all partners to be counted toward the match.	(M/A)	South Bay COG
The Multi-Year Sub-Regional Programs (MSPs) commitments need to have the same priority for programming as the other primary funding categories listed in the Ordinance.	(Y) - Subject to the Cash flow Management Section VI	South Bay COG
COGs and lead agencies need assurance that Metro will allow projects to have the funding that they need to proceed from program development through project delivery.	(Y/A) Part of the 5 year plan process that requires further administrative development	South Bay COG

Multi-Year Subregional Programs

Comment (Main Points)	Response (Y/N/M/A)	Name
Cost Containment Policy for Expenditure Plan Major Projects What about scope changes? Standards change with time. There are safety, code, or statutory requirements that change and must be implemented on a project while in construction.	(M) This policy is for fund management for Measure M projects and applies to a variety of cost increases	Caltrans
If the project has both Measure R and Measure M funds will two logos be required or a combined logo?	(Y) - Combined logos should suffice	Caltrans
Will the Independent Audit Firm only be auditing Metro's files and/or agency files? Will all agency projects be audited every year?	(Y) - Metro will audit all Measure M expenditures per agreement.	Caltrans
Delete in Sections A – F (missing F) all instances of "State of good repair, maintenance and/or beautification projects are not eligible for Highway subfunds." Other than beautification, state of good repair and maintenance should be allowed under Measure M:	(N) - Measure M funds are intended for investments that would improve mobility on the State highway system and major arterials in Los Angeles County	Caltrans
"Capital Improvement Expenditures" means expenditures for the purpose of acquiring, upgrading, or maintaining transportation physical assets such as property, transportation facilities, rail improvements, highways, or equipment, so long as any such expenditures for maintenance substantially extend the useful life of the project."	(A) Administrative procedures will be developed within 6 months of adoption of the Guidelines	Caltrans
We strongly encourage Metro to establish improved roadway safety as the primary objective of the Measure M Multi-Year Subregional Programs (MSP). It funds a diversity of projects that provide sub-regional benefits. Whether a project's primary purpose is to improve goods movement, signal synchronization or a new bikeway, it should be engineered to improve safety for all users, especially the most vulnerable roadway users, pedestrians.	(Y) Guidelines as drafted contain consideration safety policies and best practices, and can be delineated further in subsequent detailed program guidelines	County of Los Angeles Public Health
Maintenance and expansion of green infrastructure definition. A This is especially imperative for low-income communities who are typically transit-dependent and have disproportionately less greening elements in their communities. These green infrastructure elements should be multi-benefit, delivering not only environmental results, but also enhancing the community experience of that space.	(M)	EnviroMetro
Require that performance criteria be developed so that funded projects meet clearly identified objectives such as: network connectivity, multi-modal mobility, sustainability, safety, equity, and community engagement.	(M) These considerations will be part of the Long Range Transportation Plan Process	EnviroMetro
Metro's Complete Streets Policy is the primary mechanism for implementing this vision, yet the draft guidelines are vague about its applicability to some programs. The final guidelines should clarify that Metro's Complete Streets Policy applies to all funding programs, including multiyear subregional programs, and define Metro's oversight role to ensure compliance.	(M) intent of Complete Streets Policy is broadly applicable to future funding programs. Subsequent detailed program guidelines will consider specific applicability.	Investing in Place
MSP funds should be allocated through a competitive grant program administered by Metro through a Call for Projects-like process tied to the five Measure M objectives. Depending on the size of the program and anticipated award amounts, the program would follow either annual or biennial cycles. All eligible project sponsors in each subregion would be able to apply directly for funding.	(Y/A) - Some MSP areas will have competitive elements. Guidelines have been revised for clarity. For others a 5 year plan process, and additional procedures will be developed.	Investing in Place
The Subregional Equity Program is equivalent to nearly \$1.2 billion across eight subregions, Metro should work with each subregion to identify which projects and programs are priorities for this funding. All subregions should conduct a transparent process for prioritizing this additional funding with robust public participation.	(Y/A) - Some MSP areas will have competitive elements. Guidelines have been revised for clarity. For others a 5 year plan process was added, and additional procedures will be developed.	Investing in Place
Local jurisdictions should have greater ownership of the sub-regional programs. With Metro's support, cities should identify their priorities and specific projects that flow from program level funding in the sub-regional pots. We would welcome the opportunity to create performance measures and specific guidelines for the sub-regional programs to ensure transparent, and strategic investments that support the City's adopted Mobility Plan.	(Y/A) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	LADOT
The Highway Program should have specific objectives and performance metrics consistent with statewide guidance from the Office of Planning and Research and best practices in planning and evaluation. The guidelines should not rest on outdated metrics as cities and the county evolve current transportation and mitigation programs to align with state law. To ensure consistency across programs, shared metrics should analyze benefits and impacts on public health, sustainability, and social equity.	(M/A)	LADOT

Multi-Year Subregional Programs

Comment (Main Points)	Response (Y/N/M/A)	Name
Reword first sentence to clarify that the list of Subregional programs/projects are identified in an Expenditure Plan to Measure M Ordinance.	(Y) - can clarify Comment is unclear as to amendment process or beyond Exp. Plan horizon.	Local Transit Systems Subcommittee (LTSS)
Funding for projects identified as Major Projects in the Measure M Expenditure Plan should be provided directly from LACMTA to those project sponsors and should not go through a subregional entity, nor require the approval or involvement of any subregional entity.	(M)	Metro Gold Line Foothill Extension Construction Authority
SCRRRA generally supports broad eligibility requirements for programs so that Metro may invest in the regional rail system within Los Angeles County with as many potential sources of funding as possible.	(Y) Agreed	Metrolink
The "Highway – System Connectivity 2%" program should be limited to solely goods movement projects. This should be done concurrently with the development of METRO's Goods Movement Plan.	(M/A) The development of the Goods Movement Strategic Plan will help determine priorities.	Port of Los Angeles/ Long Beach
Metro should continue to think creatively about the role of the Policy Advisory Council and public participation in shaping its policy.	(Y)	Safe Routes to School
The lapsing policy is not consistent throughout the guidelines and should be revisited. A lapsing policy should be included in the adopted guidelines for each Measure M funding category.	(M/A)	Santa Clarita
Allocation Methodology: Clarification is needed as to which date/year will be used for California State Department of Finance estimate. It is recommended that it be the May report of the year of the fund allocation.	(M)	Santa Clarita
The Guidelines should encourage projects to identify during the environmental stage potential policy changes that might enhance the project's goals.	(M/A)	Joseph Sanderson
I've heard that the carpool lanes may require increased ridership to increase the speed to meet federal guidelines.	Inquiry forwarded to appropriate staff.	Karen Olds
Is there any thought to reducing access to hybrid vehicles to help with this regard?	Inquiry forwarded to appropriate staff.	Karen Olds
Use an accurate and comprehensive definition of equity and incorporate equity metrics to identify, select, and prioritize projects.	(M) These considerations will be part of the Long Range Transportation Plan Process	ACT LA
Provide further guidance on how cities may use multi-benefit Local Return investments, establish performance metric tracking, and require annual audits.	(M) for performance and tracking. (Y) Audits required.	ACT LA
We urge LA Metro to create mechanisms that identify and intentionally invest in communities with the highest need - especially those areas that have historically been underinvested and environmentally burdened. Factors like race, income, age, vehicle ownership, susceptible to injury, and exposure to hazardous environmental conditions are strongly linked with access to healthy land use and community design. The guidelines should explicitly support local return investments ensure existing transit dependent residents can remain in TOCs.	(M) These considerations will be part of the Long Range Transportation Plan Process	Advancement Project California
Final guidelines should avoid distributing funding in any program on a "first come, first served" basis. Doing so would miss the opportunity to select the most effective projects based on clearly defined performance measures. The final guidelines should anticipate such a policy in the Long Range Transportation Plan (LRTP) and include mechanisms to advance social equity in the implementation of Measure M programs, such as prioritization and/or set-asides in funding programs.	(Y/A) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	American Heart Association
Supports developing more detailed Active Transportation Program guidelines over the next year to maximize the benefits of this program. We believe this extra year for guidelines development will also provide an opportunity to integrate social equity metrics into this program.	(A)	American Heart Association
The Master Guideline is more an "evolving Framework" where some guidelines are fully articulated (Local Return, Transit Operations) and others are yet to be development. Many of the expenditure details do not currently exist. Over the next year it would be helpful for a schedule to be developed supporting the creation of the outstanding guidelines and continue to engage all stakeholders in the development of the individual guidelines	(Y)	Eco Rapid Transit
Consideration for acceleration should also include the potential for a project to be included or receive funding from special or one-time state or federal programs including those that relate to highways of national significance or primary freight corridors, and for stimulating 3P opportunities	(Y)	Eco Rapid Transit
Transit Contingency Subfund. All Net Revenues allocated to the Transit, First/Last Mile (Capital) Subfund, except those allocated to Metro State of Good of Repair, that are not assigned to a specific project or program coded "T" in the "modal code" column of Attachment A shall be credited to the Transit Contingency Subfund. Creating a Contingency fund from net revenues assigned to each mode may result in projects first in line receiving funds to the detriment of projects slower to develop.	(M/A)	Eco Rapid Transit
Before any Subregional Equity Program funding is allocated, MTA should work with each subregion to identify which projects and programs are priorities for this funding. There is a disconnect between funding projects on a "First come, first serve – project readiness" criteria and mobility benefit.	(M/A) See Section XIX	Eco Rapid Transit

Multi-Year Subregional Programs

Comment (Main Points)	Response (Y/N/M/A)	Name
MSP funds by definition are limited to capital projects. This is followed by criteria that describes project readiness and specified those activities that define construction readiness.	(Y/A)	Eco Rapid Transit
Implement performance criteria for Highway subfunds. If funding pre-construction activities, EnviroMetro strongly recommends that Metro place a cap on the percent of project costs for those activities, as a way to discourage harmful highway projects from using up valuable capital resources that could otherwise be spent enhancing communities. Metro should not explicitly exclude "beautification" from eligibility, as green infrastructure improvements provide beautification co-benefits	(Y/A) Guidelines revised with limits and need for administrative procedures development	EnviroMetro
The definition of the Greenway Network should be expanded beyond routes that are adjacent to urban waterways to also include routes that utilize other existing public right-of-ways, such as utility corridors and abandoned rail lines.	(M)	EnviroMetro
Consider initiating a process to bring previous revenue sources (Props A & C, Meas R) requirements into alignment with Measure M eligibility and performance standards.	(M) Not recommended at this time.	EnviroMetro
The final guidelines should anticipate such a policy in the Long Range Transportation Plan (LRTP) and include mechanisms to advance social equity in the implementation of Measure M programs, such as prioritization and/or set-asides in funding programs.	(Y) These considerations will be part of the Long Range Transportation Plan Process	Investing in Place
Support up to a one year extension for Metro staff and the Policy Advisory Council to develop specific guidelines for the Multiyear Subregional Programs. We believe this extension would not meaningfully delay any projects that would be funded by these programs due to the time it will take for sales tax revenues to accumulate in the first year.	(Y/A) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Investing in Place
Measures like travel time reliability and vehicle miles traveled (VMT) can provide a more accurate representation of the benefits and pitfalls of proposed highway projects than the outdated level of service (LOS). Other metrics should analyze benefits and impacts on public health, sustainability, and social equity. Finally, program metrics should tie to regional performance metrics in the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) to ensure that projects contribute toward regional goals.	(Y/A) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Investing in Place
The final guidelines should make safety the first objective for all highway programs, with particular emphasis on people walking and biking. All subregional highway programs should be required to evaluate fatal and serious injury collision hotspots within their program area (i.e. a High Injury Network) and include safety countermeasures in projects within those areas.	(M)	Investing in Place
Eligibility for highway program funds should be determined with a complete streets approach. The final guidelines should clarify eligibility of streetscape elements, such as pedestrian amenities, shade trees, and green streets, that have functional purposes aside from beautification. As mentioned previously, these programs should also include broad eligibility for TDM programs that complement multimodal infrastructure improvements.	(Y/A) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Investing in Place
The final guidelines should anticipate such a policy in the Long Range Transportation Plan (LRTP) and include mechanisms to advance social equity in the implementation of Measure M programs, such as prioritization and/or set-asides in funding programs. We recommend adding language recognizing the anticipated social equity policy and implementation mechanisms to the Administration & Oversight section of the guidelines.	(M) These considerations will be part of the Long Range Transportation Plan Process	LA Thrives/Enterprise
Linking investments to and reinforcing Metro policies and planning (pp.35-36, 41) that are critical to improving access, safety, and sustainability in the transportation system such as the Active Transportation Strategic Plan, First/Last Mile Strategic Plan, Complete Streets Policy, and Countywide Sustainability Planning Policy. However, we see no reason why these policies ought not to inform a wider range of Measure M investments, all of which could contribute to increasing and improving access, safety and sustainability. We recommend making similar references to these plans and policies in other investment categories including Multi-Year Subprograms generally, Highway subfunds, 2% System Connectivity Projects, Subregional Equity Program, and Local Return.	(M/A) Additional administrative criteria will be developed. These considerations will be part of the Long Range Transportation Plan Process	LA Thrives/Enterprise
Expand green infrastructure definition to cooling benefits, do not exclude "beautification" from eligibility, and require multi-benefits.	(M)	Los Angeles County Bicycle Coalition
We encourage you to make reversing declining transit ridership one of the highest priorities for LA Metro in the implementation of Measures R and M, especially in programming the 20% Transit Operations funds in Measure M and in how you use SB 1 transit operations funds.	(M)	Move LA
In the interest of continuing to keep community interests and equity at the forefront of these conversations, we urge the Metro Board to add two members to the Independent Taxpayer Oversight Committee.	(N)	Neighborhood Housing Services of Los Angeles County
Please include steps to ensure that all stakeholders are involved in future guidelines development.	(Y) - Some MSP areas will have competitive elements. Guidelines have been revised for clarity. For others stakeholder a 5 year plan process, and additional procedures will be developed.	Palms Neighborhood Council
Use an accurate and comprehensive definition of equity and incorporate equity metrics to identify, select, and prioritize projects.	(M)	Prevention Institute

Multi-Year Subregional Programs

Comment (Main Points)	Response (Y/N/M/A)	Name
Preserve and expand equitable Transit Oriented Communities (TOCs) by ensuring anti-displacement measures are coupled with transportation investments within the same neighborhood.	(M)	Prevention Institute
All projects funded by Measure M should align with State climate goals, help achieve vehicle miles traveled reduction targets, reduce burdens on disadvantaged communities, and improve safety especially for the most vulnerable road users.	(Y/M) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Prevention Institute
Expand green infrastructure definition to cooling benefits, do not exclude "beautification" from eligibility, and require multi-benefits.	(M) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Prevention Institute
Orient competitive funding programs to meet critical needs and leverage multi-benefit investments. Require that performance criteria be developed so that funded projects meet clearly identified objectives such as: network connectivity, multi-modal mobility, sustainability, safety, equity, and community engagement.	(Y/M) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Prevention Institute
All subregions should conduct a transparent process for prioritizing additional funding from the Subregional Equity Program with robust public participation.	(Y/M) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Prevention Institute
Metro should consider a one year extension to develop specific guidelines for the Multiyear Subregional Programs; the final guidelines should remove any explicit references to the Mobility Matrices for determining eligibility or priority within funding programs.	(Y/M) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	Prevention Institute
Position Measure M most favorably to raise \$120 billion in sales tax receipts by expediting timelines for major projects, especially connecting job centers and goods movement corridors, expand bus rapid transit corridors in conjunction with road repair and innovative technology. Increase local job and entrepreneurship opportunities and mitigate transit construction impacts for small businesses. Incentivize growth by rewarding high growth areas at each 10-year review cycle. Create an innovative and technologically connected L.A. County.	(Y/M) - Guidelines have been revised for clarity, a 5 year plan process, and additional procedures will be developed.	VICA
Consider having the Independent Tax Oversight Committee also review the Multi-Year Subregional Programs and Local Return funds.	(M)	VICA

Abbreviations:

PAC – Comments came from Policy Advisory Council; Breakout Session abbreviation is added to further categorize comments

ADA – Comments received at ADA/Paratransit, Transit for Elder Adults and Students, Discounts Breakout Session

Y – Yes

N – No

M – Maybe

A – Additional administrative guideline development needed

Measure M Guidelines
Administrative Development Timeline

SECTION	COMPONENT	TIMELINE
VI. Cashflow Management	Inter-program borrowing within the Multi-Year Subregional Program (MSP) and process for requesting funds	Up to 6 mos.
VII. Contingency Subfunds	Contingency Subfund account details will be further developed	12 mos.
IX-XII. Multi-Year Subregional Programs	Administration of and procedures for determining Multi-Year Subregional Programs 5 year plans, project readiness, and other criteria	Up to 6 mos.
XIII. Transit Multi-Year Subregional Programs	Street Car Circulator Projects details and administrative criteria	12 mos.
XIV. Metro Active Transportation	Metro Active Transportation Program (2%) administrative procedures and funding criteria	12 mos.
XV. 2% System Connectivity Projects (Highway Construction Subfund)	> Highway Systemwide Connectivity 2% program administrative criteria and funding availability	12 mos.
	> Administrative procedures for the Metro Goods Movement Strategic Plan and competitive funding program	12 mos.
XVI. 2% System Connectivity Projects (Transit Construction Subfund)	> Transit Systemwide Connectivity 2% program administrative criteria and funding availability	12 mos.
	> Administrative procedures for the Transit Systemwide Connectivity 2% competitive funding program, including eligible uses and evaluation criteria	24 mos.
XVII. Visionary Project Seed Funding	Visionary Project Seed Funding criteria and administrative selection process	12 mos.
XVIII. Countywide BRT Expansion	Updated study and review of proposed BRT corridors identified in the 2013 BRT and Street Improvement Study, including performance metrics	24 mos.
XIX. Subregional Equity Program	Additional details regarding the evaluation and administrative process for the Subregional Equity Program	12 Up to 6 mos.

Note: Pursuant to Section IV of the Guidelines, amendment procedures will be developed in consultation with the Measure M Independent Taxpayer Oversight Committee.

Metro Responses to Policy Advisory Council Comments (as provided in Attachment A)

	Commenter Name	Comment	Metro Response
1	PAC (Consensus)	Local Return, Transit Oriented Communities (TOCs) – On page 85, Metro added a reference to “Metro’s Transit Oriented Communities Program.” No such program exists. Instead, the language should state “as described in Metro’s Transit Oriented Communities Policy. In the absence of official Policy, jurisdictions should refer to the TOC Demonstration Program.” In addition, language should be added to clarify that all TOC activities described by the TOC policy (or Demonstration Program) are included in the definition of transportation purposes.	Policy: Metro recognizes the need for further development of a TOC policy. The broader coordination between transit and affordable housing need will be addressed through the LRTP process, and in the short term, the administrative process for Local Return can be refined to more clearly align with existing Metro programs.
2	PAC (Consensus)	Program Eligibility, Bus Rapid Transit – The Guidelines should be changed to explicitly state that municipal operators are eligible for BRT funds.	Concurrence: Metro concurs. See revision.
3	PAC (Consensus)	Performance Metrics – The Guidelines should give clear direction to sub-regional entities to develop performance metrics as part of the Multi-Year Subregional Programs. Performance metrics are critical to being able to communicate back to voters whether these investments have been successful.	Admin: Performance metrics will be evaluated for MSP assignment as part of the 6 month administrative procedures effort. Additional Performance Metrics guiding Metro’s investment challenges and opportunities will be developed as part of the LRTP Update process —, including Measure M projects and programs. This will include PAC consultation.
4	PAC (Additional Discussion)	Potential expansion of eligibility for “Green Streets” beyond just stormwater improvements – On pages 42, and 78, “green infrastructure” or “green streets” should not be limited to only describing stormwater management benefits derived from natural processes. The definition should be expanded to include urban heat island mitigation, cooling benefits, shade and highly-reflective/less-heat-radiating materials. Incorporating cooling into transportation infrastructure delivers health benefits, and makes active transportation and waiting for the bus more viable options.	Admin: Additional criteria will be considered as part of the administrative procedures to be developed.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
5	PAC (Additional Discussion)	Eligibility for 2% Highway Connectivity Programs – As criteria are developed for this program during the Administrative updates to the guidelines, the program guidelines should clarify the allocation between “earmarked” projects and discretionary projects. A preference for a more explicit tie to existing Goods Movement initiatives was suggested.	Admin: The criteria and clarifications will be included as part of the Goods Movement Strategic Plan, currently being developed, which will also result in administrative procedures.
6	PAC (Additional Discussion)	Procurement goals – The Guidelines should set forth specific minimum procurement goals for Small Business Enterprises, Disadvantaged Business Enterprises and Disabled Veteran Business Enterprises.	Admin: Metro strongly encourages Small Business Enterprises, Disadvantaged Business Enterprises and Disabled Veteran Business Enterprises. Additional criteria, as necessary, will be considered as part of the administrative procedures to be developed.
7	Kerry Cartwright - Port of Los Angeles (City of LA Harbor Dept	<ul style="list-style-type: none"> • 2% System Connectivity Projects (Highway Construction Subfund) (p. 43 of draft guidelines) The projected amount of annual funding for the “Highway – System Connectivity 2%” category is lacking in the program info and guidelines. The approved measure also listed “earmarked” projects that are within this subfund, thus diminishing the total available amount for a competitive process. Thus, the “Highway – System Connectivity 2%” program should be limited to solely goods movement projects, justified for the following reasons: <ul style="list-style-type: none"> • Draft guidelines emphasizes goods movement • Significant program earmarks for all other modes/needs, except ports/goods movement • Local return formula funds not accessible by the Ports of LA/LB on behalf of goods movement sector • Alameda Corridor East has Measure M (and R) earmarked projects • Difficulty obtaining formula subregional funds (via Gateway COG, South Bay COG, etc.) • Limited amount available in “2% Highway” program. • The development of the “Highway – System Connectivity 2%” program guidelines should be done collaboratively, and solely with the goods movement sector and pertinent public agencies and private sector entities. This should be done concurrently with the development of METRO’s Goods Movement Plan. The goods movement sector has collaborated for many years at the federal, State, and regional level, and has already identified needs and projects. Hence, a minimal 	<ul style="list-style-type: none"> • Concurrence: The criteria and clarifications will be included as part of the Goods Movement Strategic Plan, currently being developed, which will also result in administrative procedures. • Concurrence: The Goods Movement Strategic Plan will include outreach.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
		amount of time needs to be spent on this plan development. Additionally, a few to several critical, high priority projects should be earmarked initially, as done with numerous other Measure M projects as part of the approved ordinance. The Ports, SCAG, and METRO have collaborated for many years on such priority projects, and identified them via numerous studies. Such projects include then Ports of Los Angeles/Long Beach rail projects that reduce truck trips throughout the region, as a few interchange projects on I-110 and SR 47.	
8	* KeAndra Dodds – Enterprise Community Partners	Local Return: TOC Investments (Revised Guidelines Pg. 85) - While I appreciate the attempt by Metro staff to respond to our comments, the changes did provide more clarity. The new reference to Metro's Transit Oriented Communities Program is not helpful because there is no program with that title. There is a TOC Demonstration Program, TOC Planning Grants, Joint Development Program, the MATCH program, and affordable housing policies, all of which relate to TOCs, but none which clearly delineate specific activities or investments that will be considered TOC investments, and thus eligible for local return. We recognize the need to not be overly prescriptive and to allow for innovation, but there must be clearer guidance on what types of investments are eligible. Given Metro's Board adopted policies and programs, we recommend that eligible investments include those that: 1. Support the development and preservation of affordable housing, as defined in Metro's joint development policy, in TOCs; 2. Support the inclusion of small businesses in mixed use buildings in TOCs; 3. Help remove land use barriers to transit oriented development; 4. Implement best practices and policies for sustainable and transit-supportive land uses across a variety of neighborhood typologies; and 5. Otherwise ensure inclusive and equitable transit oriented communities for those at all income levels.	Policy: Metro recognizes the need for further development of a TOC policy. The broader coordination between transit and affordable housing need will be addressed through the LRTP process, and in the short term, the administrative process for Local Return can be refined to more clearly align with existing Metro programs.
9	* Yvette Kirrin - GCCOG	Thank you for the timeline, and we'd like to see item XIX be advanced to 6 months consistent with item IX-XII.	Concurrence: Metro concurs.
10	* Yvette Kirrin - GCCOG	Page 7, No. 5 Stated the addition of "Subregional funding reductions". What does this mean? Please clarify.	Policy: As part of the cost containment policy subregional funds will be considered to address the funding shortfall within an affected subregion, if needed.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
11	* Yvette Kirrin - GCCOG	Regarding Contingency Subfund creations, it's not clear how these can be established if the minimum revenues are not achieved. Will the contingency be funded by % similar to the other subfunds?	Restated: The Ordinance language dictates the Contingency subfund calculation. Cashflow Management (VI) addresses how cash receipt shortfalls will be addressed.
12	* Yvette Kirrin - GCCOG	Although advancing MSP projects is mentioned, using metro bonding as a tool is not specific to this section.	Restated: Cashflow Management (VI) addresses how bonding will be used.
13	* Yvette Kirrin - GCCOG	Now that the TFP has been removed as the funds forecasting methodology, what cash flow determination will be used?	Restated: Cashflow is addressed in Cashflow Management (VI) Cashflow needs will be forecast in the LRTP, Program Management Plan, Metro Budget, etc.
14	* Yvette Kirrin - GCCOG	The I-5 has been determined to be a local project yet self financing is not an option. This doesn't appear to be feasible. Please clarify the potential options outside of advancing the project via Metro Bonding or outside leveraged funds.	Restated: Depending on the ultimate scope and cost of a major project and determination of financial capacity, following the environmental process, the various potential sources of funds will be determined and pursued by all agencies involved in the project.
15	* Yvette Kirrin - GCCOG	In order to ensure that betterments are including by the 30% final design it's imperative that jurisdictions be credited for work done in advance, to be prepared and have the items incorporated into the appropriate documents (EIR, design plan etc.). Retroactive work by the jurisdictions that gets incorporated into the Final 30% design should count as 3%.	Restated: Any work that is part of the scope at the conclusion of 30% completion of final design may be considered as eligible contribution.
16	* Yvette Kirrin - GCCOG	There has not been any changes to the SC transit projects to provide relief for the 3% contribution, as these projects aren't attributed to our subregion. These projects should be Exempt from 3% local contribution. Additionally, if exemption of 3% is denied, and there are savings on the project, it's not clear that the savings, if 3% is collected, that it won't go to a different subregion.	Restated: 3% local contribution applies to all new transit projects ("coded 'T' in Attachment A"), based on center track miles, per the Measure M Ordinance.
17	Seleta Reynolds - Los Angeles Department of Transportation	<ul style="list-style-type: none"> The guidelines are still missing either a) performance metrics for each program or b) a clear direction to sub-regional entities to develop their own. It is important to be able to measure and communicate back to the voters whether or not the investments they agreed to are successful and how we plan to measure success. The guidelines must align better with the Office of Planning and Research's direction to incorporate Vehicle Miles Traveled either 	<ul style="list-style-type: none"> Restated: Performance metrics will be evaluated for MSP assignment as part of the 6 month administrative procedures effort. Metro recognizes that State statute has changed the basis for evaluating Highway performance as part of CEQA (SB743). As such, implementation of the Measure M Guidelines will be consistent with the regulatory process attached to those statutory provisions.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
		<p>instead of or in addition to Level of Service as an evaluation methodology for highway projects. The highway program in particular (p. 35) references roadway widening as a tool to improve Level of Service, a notion that has been debunked repeatedly. As cities in Los Angeles County work to comply with OPR's deadline for changing the analysis methodology and mitigations for transportation projects, Metro's guidelines will create confusion and potentially legal uncertainty.</p> <ul style="list-style-type: none"> • 3. (At the request of the Mayor's office) All mentions of green infrastructure and green streets (pg. 42 and 78) only refer to stormwater management benefits and leave out important urban heat island (UHI) mitigation / cooling benefits, which really should be addressed in our built streetscape environment, since asphalt is such a large contributor to the UHI effect. Instead, these definitions should be expanded to include shade and highly-reflective / less-heat-radiating materials to at least create the opportunity for investments that could make active transportation and waiting for the bus more appealing. 	<ul style="list-style-type: none"> • Policy: Metro recognizes the need for further development of a TOC policy. The broader coordination between transit and affordable housing need will be addressed through the LRTP process, and in the short term, the administrative process for Local Return can be refined to more clearly align with existing Metro programs. • Admin: Additional criteria will be considered as part of the administrative procedures to be developed.
18	* Yvette Kirrin - GCCOG	Page 30 under MSP Highway (Construction Activities), the last sentence states "It is expected that local jurisdictions will contribute to total project costs", which isn't mandatory per the Ordinance. Please remove the statement or change the language to "encourage".	Concurrence: As part of the Administrative Procedures language, staff will use "encourage."
19	* Yvette Kirrin - GCCOG	Regarding HOT Lanes and the Tier Funding, the issue requires further clarification of how the project will pay for them.	Concurrence: Further discussion needed.
20	* Yvette Kirrin - GCCOG	Regarding the removal of eligible projects within the Highway MSP specifically Two-Way left turns or right turn lanes, and intersection and street widening. The removal of these options within the guidelines are limiting options to improve safety and traffic flow. Street widenings specifically are capacity enhancements that have a direct nexus to freeway operations. It appears that arterials are being eliminated from eligibility altogether. In many cases safety and traffic improvements are necessary to improve access to freeways. These removals need to be placed back into the guidelines, and need to be eligible uses, as options for congestion relieve need to be maximized and not limited.	Concurrence: Further discussion needed.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
21	* Yvette Kirrin - GCCOG	Add I-5 JPA to Eligible Recipients as part of the 2% System Connectivity Projects (Highway), as other agencies including ACE Authority are eligible.	Restated: Language in Guidelines is “including, but not limited” to the agency types listed.
22	* Yvette Kirrin - GCCOG	Language needs to be softened, removed or suggested as an example (verses in alignment) regarding City of LA policies for Streetscape Enhancements and Great Streets. It's seems inappropriate for subregions to conform with the City of LA policy.	Comment is unclear.
23	* Yvette Kirrin - GCCOG	Regarding the definition of Active Transportation, "rolling modes" should be detailed or more definitve as there are many new mainstream modes such as e-bikes, Segway's, skateboards, motorized wheelchairs, scooters, etc. Please expand the definition.	Policy: Additional criteria will be considered as part of the administrative procedures to be developed.
24	* Yvette Kirrin - GCCOG	Clarification is still required regarding if MSP's and Major projects assigned to a subregion are eligible for the 2% SC Project (HWY Subfund) competition?	Policy: This will be determined as part of the Goods Movement Strategic Plan development.
25	* Yvette Kirrin - GCCOG	Regarding Visionary Project Seed Funding, the 40% match isn't reasonable. A 20% and/or In-Kind match should be considered.	Restated: In kind match can be for the entire amount of the requested local match.
26	* Yvette Kirrin - GCCOG	Regarding Subregional Equity Program, the considerations should mirror the funds availability dates accorded to the SFV.	Restated: Per the Measure M Ordinance, the funding is to be determined, and will be provided “as early as possible.”
27	* Yvette Kirrin - GCCOG	Regarding the SEP, the statement regarding funds available "if any" is concerning, and these funds should be bonded against, as the SFV is going to be funded ASAP. The Board added the funds, so the subregions should receive it, verses leaving an "if any" option.	Restated: Per the Measure M Ordinance, the funding is to be determined, and will be provided “as early as possible.”
28	* Yvette Kirrin - GCCOG	2% ADA Paratransit Eligible Recipients should be broadened to be any transportation agency providing ADA services, including local operators, such as dial a rides.	Restated: Per the Measure M Ordinance, these funds are for ADA Paratransit for the disabled. This service, which is a federal civil rights mandate, is provided by Access Services on behalf of Metro and the 44 fixed-route operators in LA County. Local Dial-A-Rides do not provide ADA paratransit as outlined in federal law and therefore are not eligible for these funds. In addition, local Dial-a-Rides are eligible to receive funding from both Measure M and past sales tax Local Return programs.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
29	* Hilary Norton – FAST	<p>Page 6 - Project Acceleration, Third Bullet, “Elements that determine eligibility of matching funds from available federal/state discretionary funding sources.</p> <p>Page 22 - Eligible Fund Contributions, End of section paragraph, add language “...amount by the conclusion of thirty percent (30%) of final design, Asset management portfolios, Performance Incentive Grants.”</p> <p>Page 37 – Intelligent Transportation Systems, Eligible uses category Add Bullet “Coordinate with Countywide BRT program to optimize on time performance and improved bus speed operations”</p>	Admin: These are considerations for additional administrative procedural development.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
30	* Hilary Norton – FAST	<ul style="list-style-type: none"> • Page 10 - Performance Metrics definition. Need clarity on the definition of performance metrics. Does that reflect the December 2015 Performance Metrics for the Mobility Matrix or will these be a new set of Metrics? Will the PAC be advised on how to define them or will that be up to the Metro Board? Does this mean transit and highway programs will have performance on whether or not they are moving more people or are they moving more goods that essential to the consumer driven sales tax receipts which fund our Measure M program? For example, according to LAEDC, 78% of the volume and 64% of the value of the Regions goods move through our streets and highways so should one project be jeopardized over a subjective definition. With this aspect of Performance Metrics, please consider the following definitions as this is consistent that the Mobility Matrix has now been replaced with the Multi-Year Subregional Program (MSP) Project Development process; <ul style="list-style-type: none"> • Projects with the broadest economic benefit that increases sales tax revenue receipts; • That leverage current and future sources of state and federal funding (and must be timely in their request for matching funds); • Based on project readiness; • Projects that optimize opportunities for TOCs/TODs; • Consider communities with the highest need; • Project prioritization should be made in the context that we are expecting an economic downturn and must optimize the revenue that we collect, while being able to most effectively leverage private and public resources in a manner that would expedite major projects to meet or exceed timelines promised to Measure M voters. • Page 21 - 3% Local Contribution Need Clarity How does this definition reflect new stations that intersect existing lines, an example would be the Northern Crenshaw Extension with the Purple Line on Wilshire. Would that be considered a retrofit of an existing or the building of something new? The goal should be to incentivize ridership increases through Multi-modal connectivity so outside of Active Transportation if a local jurisdiction uses and encourages private funding to construct a transit center or Mobility Hub adjacent to 	<ul style="list-style-type: none"> • Admin: Performance metrics will be evaluated for MSP assignment as part of the 6 month administrative procedures effort. Additional Performance Metrics guiding Metro's investment challenges and opportunities will be developed as part of the LRTP Update process —, including Measure M projects and programs. This will include PAC consultation. <p>Mobility Matrices are not replaced with MSP. Mobility Matrix projects can be considered in the development of MSP projects. Additional criteria will be considered as part of the administrative procedures to be developed.</p> <ul style="list-style-type: none"> • Restated: 3% local contribution applies to all new transit projects ("coded 'T' in Attachment A"), based on center track miles, per the Measure M Ordinance.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
		<p>a rail station, Does that count towards a city's 3% match?</p> <ul style="list-style-type: none"> • Page 47 – Metro Active Transportation, Reporting requirements, typo? “Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of Measure M system connectivity projects (Highway construction) (replace with Active Transportation) funds are contributing to accomplishing the program and strategic plan objectives.” • Page 55 – Countywide BRT, Eligible projects first paragraph, language amended “...potential for ridership increases including station amenities, restrooms for health, safety and quality of life,” • Page 57 in Subregional Equity Funds. Need Clarity. A detailed explanation should identify where this fund is located relative to the Measure M pie slice, as we recall back in the June 2016 Board meeting through a motion by Director John Fasana, this Subregional Equity pot was to be incorporated as part of the 2% system connectivity, Is this still true? • Page 67 – 20% Transit Operations, Eligible uses category. Last sentence “Metro will develop policies that will define and establish criteria for implementing pilot programs that increases ridership and improves operational reliability” Page 67 – 20% Transit Operations, Maintenance of effort. Second sentence (add language) In addition to implementing new transit services programs that improve headways and hours of operation, eligible recipients may use Measure M 20% funds... • Page 72 – ADA Add Bullet: “C) Community outreach to identify and ensure that performance metrics as outlined per contract for this program fund are adhered to and are followed.” • Page 74 – State of Good Repair Add Bullet: Station improvements that increase ridership and transit system capacity to handle more riders • Page 92 – Local Return, Audit Requirements, First Sentence A 	<ul style="list-style-type: none"> • Restated: Any work that is part of the scope at the conclusion of 30% completion of final design may be considered as eligible contribution. • Concurrence: Typo. Metro concurs. See revision. • Restated: Yes. These are considerations for additional administrative procedural development. Per the Measure M Ordinance, the funding is to be determined, and will be provided “as early as possible.” • Restated: Operations Guidelines were developed with other operators in a Working Group. • Admin: Performance metrics will be evaluated for MSP assignment as part of the 6 month administrative procedures effort. Additional Performance Metrics guiding Metro's investment challenges and opportunities will be developed as part of the LRTP Update process —, including Measure M projects and programs. This will include PAC consultation. • Restated: State of Good Repair will maintain all eligible assets. • Restated: Per the Measure M ordinance, the

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Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
		<p>financial and compliance audit will be conducted annually as part of Metro's Consolidated Audit Program to verify adherence to the Measure M guidelines and be subject to review by the Independent Taxpayer Oversight Committee.</p> <ul style="list-style-type: none"> • Pages 98 and 99. Appendix A - Potential 3% jurisdictions. There are examples per the Measure M ordinance and Expenditure plan, where the project explicitly does not assume a specific mode or technology of corridor (LRT vs HRT) that has not had a proper vetting through an environmental impact report. The problem with such assumption is that it prejudices the Environmental Review Process and could place Metro in a litigious pickle albeit innocently. Those examples include on the list; East San Fernando Valley Transit Corridor, Sepulveda Pass Corridor, Vermont Corridor, Lincoln Blvd Corridor. All specific technological (LRT or HRT) references should be removed from the list and simply explained "All 3% corridors are all assumed (funding permitted) as rail corridors. Whereas past or currently under environmental review planned definitions, distinction of phasing or branching or logical extensions of existing Metro Rail lines or under constructed corridors to establish a consistency in definition Examples are; West Santa Ana Corridor, Eastside Phase 2 (SR 60 or Washington Blvd), Green Line extension to Torrance or Orange Line Conversion to Rail where there is specific language included in both the expenditure plan and attachment explanation. 	<p>Independent Taxpayer Oversight Committee is responsible for reviewing the Measure M Financial and Compliance audits.</p> <ul style="list-style-type: none"> • Restated: All project are subject to the environmental process.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
31	* KeAndra Dodds-Enterprise Community Partners	While the guidelines reference alignment with “Vision Zero” or equivalent policies, Metro does not have its own Vision Zero policy to guide investments. We recommend investing in the development and adoption of regional Metro Vision Zero guidance (policy, toolkit or framework) simultaneous to developing sub-guidelines for the 2% Active Transportation category. While specific investments and Vision Zero policies will likely be implemented by local jurisdictions rather than Metro, a regional Vision Zero policy would encourage local jurisdictions to adopt their own policy or provide guidance in the absence of such local policy.	Policy: Policy development regarding “vision zero” applications as they may apply countywide is needed. This can be done as part of the LRTP Update process, in consultation with the PAC.
32	* KeAndra Dodds-Enterprise Community Partners	The final guidelines should anticipate a transportation equity policy in the Long Range Transportation Plan (LRTP) and include mechanisms to advance social equity in the implementation of Measure M programs, such as prioritization and/or set-asides in funding programs. While there were some changes to address this, the revised guidelines still do not include explicit mention of social equity nor the recognition that social equity will be considered in the implementation of Measure M once the LRTP is adopted. It makes the most sense to add it to the administration and oversight section.	Admin: The LRTP Update process, as presented to the Metro Board, identifies a need for a comprehensive equity analysis. This will include how equity is defined, and considered in setting priorities for Metro investments including but not limited to Measure M. This will occur during the LRTP development, in consultation with the PAC.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
33	Jacki Bacharach	<ul style="list-style-type: none"> • Page 7 – At the bottom of Page 7, #5 – Sub-regional funding reductions should come from the sub-region in which the shortfall is happening. It is not clear in the document. Sub-regional funding should be used only with the concurrence of the responsible “sub-regional entities”. • Acceleration of projects must not: 1) Reduce the potential funding available for addressing cost containment using the methods listed on page 7; or 2) delay current regional and sub-regional projects due to redirecting funding for acceleration. • Page 10 – 1) Sub-regional entities should be consulted before the Metro Board is asked to approve all performance metrics through its 5-year assessment process in consultation with the Measure M Independent Taxpayer Oversight Committee. Particularly with respect to the sub-regional program and project criteria, the sub-regional entities should also be consulted. 2) Requiring approval only during the 5-year assessment may delay project readiness. There should be a process to accelerate approval changes more often than every 5 years. • Page 11 – Any change in subregional boundaries should only be made with consensus of all the sub-regional entities affected. • Page 12 – In 2nd group of bullets – the new one re: Changes in Technology should also include better service to the customer/consumer. Bottom of page 12 – The guidelines allow the Metro Board to amend the “Schedule of Funds Available” to accelerate an Expenditure Plan Major Project at any time but changes in commitments to current projects will only be evaluated every 10 years. The two policies are in conflict. Funds from a project that is completed with cost savings or a project that is no longer viable should be available for re-programming in the following fiscal year. • Page 16 – 2nd paragraph from the bottom –Metro should request notice from the responsible sub-regional entity which will compile the 5-year MSPs on behalf of the project sponsors. Sponsors should not be allowed to bypass the sub-regional planning process where there is one. • Page 17 – MSP borrowing needs to be approved by the sub-regional entity. 	<ul style="list-style-type: none"> • Concurrence: Metro agrees that subregional funding reductions should come from the affected subregion. • Restated: Acceleration is addressed in Section IV and in Cashflow Management, Section VI. • Admin: Performance metrics will be evaluated for MSP assignment as part of the 6 month administrative procedures effort. Additional Performance Metrics guiding Metro’s investment challenges and opportunities will be developed as part of the LRTP Update process —, including Measure M projects and programs. This will include PAC consultation. • Admin: Subregional changes have historically been done at the request of the subregion. • Policy: Policy development is needed. This can be done as part of the LRTP Update process, in consultation with the PAC. • Restated: Acceleration is addressed in Section IV and in Cashflow Management, Section VI. • Admin: Additional criteria will be considered as part of the administrative procedures to be developed.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
		<ul style="list-style-type: none"> • Page 26 – Metro allowed .5% of the annual cost of the sub-regional programs to be drawn from the MSP. Sub-regional entities and local jurisdictions should be explicitly eligible for these funds. • Page 26 – Parameters from the Mobility Matrices should be developed with concurrence of sub-regional entities. In the 2nd sentence referring to the Mobility Matrices, the word 'using' should be replaced with the word 'considering'. • Page 30, 31, 33, 34 – Highway Operational Improvement project funding begins with the Project Identification Document rather than program development. To be consistent with Page 29, this guideline should not preclude use of funding from this category to prepare the project development matrix described on page 26. • Page 30, 31, 33, 34 – Metro added a provision that is in Measure R SBHP guidelines that requires Intersection or street widening/improvements to be "on a State Conventional Highway or within one mile of a state highway." This restriction should be eliminated from the Measure M guidelines to allow projects to be implemented in areas like the Palos Verdes Peninsula that are not within 1 mile of a state highway and yet have major arterials. • Page 30, 31, 33, 34 – Signal synchronization and other intelligent transportation system improvements are not included as eligible projects in any of the Highway MSP categories. They should be explicitly included in the respective lists even though they are generally eligible in their own section beginning on page 37. • Page 37 – The guidelines do not currently include broadband or fiber-optic projects as eligible expenditures. Inter-city, sub-regional fiber-optic and broadband projects should be included in the ITS section and justified as a TSM strategy. • Page 42 – 1st/last mile should acknowledge eliminating travel through travel demand management strategies or projects. These types of projects should be eligible in the ITS section. The Greenway project category should be broadened slow speed electric transportation. • Page 44, 55 – BRT Capital improvements – Metro staff told the PAC that municipal operators would be included, but the guidelines do not yet reflect the change. Included and Municipal Operators and Metro 	<ul style="list-style-type: none"> • Restated: Metro retains bonding authority. • Admin: Additional criteria will be considered as part of the administrative procedures to be developed. • Admin: Additional criteria will be considered as part of the administrative procedures to be developed. • Admin: Additional criteria will be considered as part of the administrative procedures to be developed. • Admin: Additional criteria will be considered as part of the administrative procedures to be developed. • Admin: Additional criteria will be considered as part of the administrative procedures to be developed. • Concurrence: Metro concurs. See revision. • Concurrence: Metro concurs. See revision.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
		<p>should be explicitly eligible as lead agencies for BRT funded projects within a BRT program coordinated by Metro.</p> <ul style="list-style-type: none"> • Page 48 – Allocation Methodology – It is unclear whether Metro taking an additional .5% here for administration from subregional programs over and above what they are already getting off the top. To avoid Metro double dipping, it should be clarified that Metro's administrative costs do not exceed the %.05 that taken off the top. • Page 53 – Visionary Seed Funding eligibility is still restricted to transit in the revised guidelines. It should be available for other mobility and sustainability ideas beyond transit. The eligible applicants should include transit operators and other entities rather than relegating others to “partners” for visionary seed funding applications that do not include transit operators. • Page 79 – Fiber optic installations are limited to “signal-related electrical system and/or fiber-optic in the roadway.” Consistent with the comments on page 37, fiber-optic and broadband programs should be eligible as a transportation demand management projects and should not be limited to installations in the roadway since use of existing utility poles and underground conduits outside the roadway might be more cost-effective. • Page 102, 103 – Refocused Taxi Element – Although the guidelines are more inclusive in earlier sections of the document, this section should be expanded to include options to taxi operators such as car sharing and ride sharing providers and autonomous vehicle fleets. • Page 103 – Implementation Timeline – On the 4th line, in addition to taxi service, the timeline should include comparable options that exist or may emerge. 	<ul style="list-style-type: none"> • Admin: Additional criteria will be considered as part of the administrative procedures to be developed. • Admin: Additional criteria will be considered as part of the administrative procedures to be developed. • Admin: Additional criteria will be considered as part of the administrative procedures to be developed. • Concurrence: See revision • Concurrence: See revision

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
34	* Moises Cisneros – Loa Angeles Latino Chamber of Commerce	Pulling from the business and small business recommendations, I am concerned that our recommended Business Interruption Fund for small businesses was not addressed. Small businesses in the path of construction have been known to go bankrupt due to the loss of pedestrians and foot traffic caused by construction chokeholds. Find below our original recommendation: INCREASE LOCAL JOB AND ENTREPRENEURSHIP OPPORTUNITIES, AND MITIGATE TRANSIT CONSTRUCTION IMPACTS FOR SMALL BUSINESS"We also recommend that the Business Interruption Fund, to assist businesses impacted due to Metro construction, be implemented for all transit, major highway and arterial projects. Beyond the Business Interruption Fund, Metro should provide small businesses with economic tools to help offset economic losses or assist in overcoming loss of clientele due to construction obstructions. These tools can be provided by Jurisdictions or third party providers of small business advisory services"....	Admin: All Metro policies and programs will be applied as appropriate. Additional criteria will be considered as part of the administrative procedures to be developed.
35	* Moises Cisneros – Loa Angeles Latino Chamber of Commerce	Two major issues that are of concern include: 1. No procurement goals or statement for a specific minimum is highlighted for Small Business Enterprises, Disadvantaged Business Enterprises. It's not enough to simply say there will be a goal. That goal needs to be reflective of the surrounding community and capacity for providing a service. 2. Disabled Veteran Business Enterprises are not mentioned at all for procurement goals. We strongly recommend Metro considers the following statement from both the business and small business community represented: "Measure M can be a turning point for the economic empowerment of small business in Los Angeles County. Metro has done a very good job of inviting small and local businesses to do business with Metro but more can be done to expand small business opportunities in Measure M. We recommend that Metro follow the example of the Port of LA to include local businesses in all projects, and report to the Metro Board regularly as to how those goals are being met. For Major projects and Local Return funds, we recommend guidelines of: 25% SBE, 17% DBE/MBE/WBE and 10% DVBE. We recommend prioritizing local small business and retail entrepreneurship opportunities in each Transit Oriented Community/Development, including support and preservation of businesses impacted by Metro project construction. In cases where jurisdictions do not have the capacity to implement the	Admin: All Metro policies and programs will be applied as appropriate. Additional criteria will be considered as part of the administrative procedures to be developed.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

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	Commenter Name	Comment	Metro Response
		above percentage goals, we recommend that Metro administers the program on behalf of the jurisdiction."	
36	* Bryn Lindblad – Climate Resolve	<ul style="list-style-type: none"> • In defining eligible expenditures in the highway subfund, (on pg. 35) the 'Traffic Congestion Relief Investments' program description should not include the outdated level of service (LOS) metric nor misguided road widening as a method to relieve congestion. Instead, it should be replaced with a VMT-reduction metric, as instructed by SB743. • "Green", as referred to in the terms 'green infrastructure' and 'green streets' (on pgs. 42 and 78), should not be limited to only describing the stormwater management benefits that come from natural project elements. The definition should be expanded to include urban heat island mitigation / cooling benefits brought about by shade and innovative materials that radiate less heat. Incorporating cooling into transportation infrastructure not only delivers public health benefits, but it also makes active transportation and waiting for the bus more viable options for people who are otherwise deterred from doing so. • Operations subfunds (including Metro Rail Operations, pgs. 63-5 and Transit Operations, pgs. 66-9) should include eligibility for: a.) maintenance of green infrastructure, to ensure full life-cycle benefits 	<ul style="list-style-type: none"> • Restated: Metro recognizes that State statute has changed the basis for evaluating Highway performance as part of CEQA (SB743). As such, implementation of the Measure M Guidelines will be consistent with the regulatory process attached to those statutory provisions. • Admin: Additional criteria will be considered as part of the administrative procedures to be developed. • Restated: Per the Measure M Ordinance, this funding is for operating transit service, with Metro Rail for service delivery for operating and regular preventative

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Concurrence: Metro concurs

Admin: Administrative procedures

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	Commenter Name	Comment	Metro Response
		are achieved. (Often funding for this maintenance piece is overlooked, and doing so in Measure M guidelines could similarly prevent intended environmental and community outcomes.) b) recreational transit service to open space. (This is an important social determinant of health, which Metro is currently studying, and should have an opportunity to receive adequate Measure M funding.) Currently, this is only listed as an eligible expense in the Local Return section, but it should also be in these other categories that support transit service expansion.	maintenance for Metro Rail Lines.
37	* Bryn Lindblad – Climate Resolve	<ul style="list-style-type: none"> • Administrative development for multi-year subregional programs -- especially highway subfunds -- needs to include performance criteria that ensure investments are in alignment with climate goals, multi-modal safety and equitable accessibility priorities. This important process can go a long way in preventing Measure M dollars from doing more harm than good to EJ communities in particular, and should not be rushed through in a non-meaningful way. The 6-month timeline that is currently proposed may be too rushed and should potentially be lengthened to 12 months to create more of an opportunity for developing performance criteria mechanisms that ensure Measure M dollars achieve results that are better than the historical business as usual. • Will the supplemental funds provision trigger the State ATP restrictions that do not allow urban greenery to be funded in active transportation projects? If so, this remains a critical gap, that instead Measure M funds should try to fill. 	<ul style="list-style-type: none"> • Admin: Performance metrics will be evaluated for MSP assignment as part of the 6 month administrative procedures effort. Additional Performance Metrics guiding Metro's investment challenges and opportunities will be developed as part of the LRTP Update process —, including Measure M projects and programs. This will include PAC consultation. • Admin: All Metro policies and programs will be applied as appropriate. Additional criteria will be considered as part of the administrative procedures to be developed.

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Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
38	Thomas Yee - LA THRIVES/ Low Income Investment Fund	Section 10. The Policy Considerations listed in Section 12, which have been revised to "shall comply with the" ATSP, Complete Streets Policy, CSPP, First/Last Mile Strategic Plan , etc, is more appropriate to be placed in Section 10 covering all of the MSP programs, and should be either moved in entirety into that section. All of the approved MSP categories would include relevant infrastructure improvements that should comply, not just the programs listed in section 12.	Admin: Additional criteria will be considered as part of the administrative procedures to be developed.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
39	Thomas Yee - LA THRIVES/ Low Income Investment Fund	<ul style="list-style-type: none"> Section 3: The addition of performance metrics is a good step, however the timing of the approval of metrics (as well as evaluation areas and criteria) need to be adopted in advance of the new MSP project development process, and the timeline should be specified in Section 3. Section 8. The Consumer perspective should be explicitly referenced in the introduction. The rationale for the contribution should include language setting forth a goal to maximize multimodal access to all transit stations in every jurisdiction. Section 14. The reference to Vision Zero in Section 14 (page 46) already states "Projects funded with Measure M funds, including Active Transportation 2%. should support the protection of pedestrian and bicycle safety in line with "Vision Zero" or equivalent policies. Since this is to be globally applied, it is more appropriate to be placed in either Section 1, 3, or 9 so that it is clearly a global policy goal, and not just limited to 2% ATP. In addition, in the absence of a Metro Vision Zero policy, the guidelines should allow for the development of Metro Vision Zero guidance as part of administrative and performance procedures. 25. pg 85 - The revision to TOC needs some additional clean-up language. The memo to the PAC refers to a "TOC manual", whereas the revised guidelines refer to the Transit Oriented Communities Program". Neither of these are discrete Metro policy documents. We recommend language that clarifies this reference, and suggest the following: "as described in Metro's Transit Oriented Communities Policy. In the absence of official Policy, jurisdictions should refer to the TOC Demonstration Program." Additionally, the revised guidelines introduce new language on page 93 requiring adherence to expend funds "for transportation purposes, as defined by these guidelines." Because TOC by definition extends the definition of traditional transportation purposes, this creates uncertainty around expending funds for TOC activities. Clarifying language should be included on either page 85 or 93 clearly stating that all TOC activities 	<ul style="list-style-type: none"> Admin: Performance metrics will be evaluated for MSP assignment as part of the 6 month administrative procedures effort. Additional Performance Metrics guiding Metro's investment challenges and opportunities will be developed as part of the LRTP Update process —, including Measure M projects and programs. This will include every jurisdiction. The comment is unclear. Admin: Policy development regarding "vision zero" applications as they may apply countywide is needed. This can be done as part of the LRTP Update process, in consultation with the PAC. Policy: Metro recognizes the need for further development of a TOC policy. The broader coordination between transit and affordable housing need will be addressed through the LRTP process, and in the short term, the administrative process for Local Return can be refined to more clearly align with existing Metro programs.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details

	Commenter Name	Comment	Metro Response
		described by TOC policy (or Demonstration Program) are included in the definition of transportation purposes. Attachment D. The phrase "including performance metrics" in Section XVIII should be mirrored in other MSP sections, specifically IX-XII, XIII, XIV, XV, XVI, XVII, and XIX	

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Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

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	Commenter Name	Comment	Metro Response
40	* Jessica Meaney – Investing in Place	The revised guidelines still lack an affirmative statement that Metro's Complete Streets Policy applies to all funding programs. This leaves project sponsors and stakeholders uncertain as to which policies will apply to what projects, with differing interpretations potentially subjecting projects to administrative and political delays unless the issue is resolved. Metro's Complete Streets Policy itself is clear about its application to all projects and all programs, yet the guidelines only reference the policy under the active transportation programs, which are--by definition--in compliance with complete streets. The revised guidelines include a Metro-administered eligibility screen for all projects funded by the Multiyear Subregional Programs. This is the appropriate place for Metro to evaluate each project's compliance with its Complete Streets Policy, including the local jurisdiction mandate. The final guidelines should be revised to include this requirement unambiguously. The revised guidelines did not change the objectives for any of the highway programs. Traffic safety is still not integrated into the core purpose of investments in the street and freeway system and no specific procedures are proposed to make safety analysis a routine part of highway program administration. The revised guidelines continue to consider state of good repair, maintenance, and beautification projects ineligible for highway program funding, without clearly defining these terms to ensure that complete streets improvements are not inadvertently excluded. The revised guidelines continue to hold projects on city streets to the same objectives as freeway projects. The application of Metro's Complete Streets Policy to these programs remains unclear, despite these programs being the one of the primary funding programs for street improvements in Los Angeles County moving forward.	Admin: Additional criteria regarding the application of Metro's Complete Streets Policy will be considered as part of the administrative procedures to be developed.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

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	Commenter Name	Comment	Metro Response
41	Joana Hankamer – City of West Hollywood	<ul style="list-style-type: none"> The voters approved Measure M based on promoted programs and projects to be funded by the sales tax; however, many capital projects listed on the Expenditure Plan are not fully funded and many projects were also under-estimated for probable cost*. Metro is therefore urged to engage the Policy Advisory Council (PAC) in discussions about filling the funding gaps in Measure M in order to fulfil the promises of Measure M; and engage the PAC in the development of a comprehensive action plan focused on: <ol style="list-style-type: none"> 1. updating the Expenditure Plan based on accurate cost assumptions, 2. competing effectively and successfully in Sacramento for SB 1 funds, and 3. accessing other non-Measure M revenue sources, including federal funds and private sector revenues <p>*For example, the Northern Extension of the Crenshaw/LAX Line was assigned a project cost of \$2.3 billion in the Expenditure Plan based the shortest alignment only, thereby under-estimating all but one alternative before any study has been done to identify a locally preferred alignment. Such insufficient cost estimate assumptions in Measure M create unanticipated budget shortfalls and unrealistic expectations for projects approved by the voters in Measure M. (In 2010 Metro identified more than four possible alignments for the Northern Extension of the Crenshaw/LAX Line, varying in length between 6 and 10 miles).</p> <p>The Draft Guidelines contain many references to the necessity to leverage the revenues generated from the Measure M program. One of the significant leveraging opportunities available to Metro is the recent enactment of “The Road Repair and Accountability Act of 2017”, SB 1 (Beall, Chapter 5, Statutes of 2017). The State has projected that over the next 10 years this new funding program will provide an estimated \$50.0 billion supporting both competitive and formula based transportation programs. Eligible expenditures include, among other activities, transit development, intercity rail, active transportation, local streets, freight projects, local planning, and work</p>	<ul style="list-style-type: none"> Restated: Depending on the ultimate scope and cost of a major project and determination of financial capacity, following the environmental process, the various potential sources of funds will be determined and pursued by all agencies involved in the project. Restated: The Expenditure Plan is a part of the Measure M Ordinance, as are the provisions for amendment. Restated: Cashflow is addressed in Cashflow Management (VI) Cashflow needs will be forecast in the LRTP, Program Management Plan, Metro Budget, etc. This includes the availability of non-Measure M fund sources. Policy: Policy development is needed. This can be done as part of the LRTP Update process, in consultation with the PAC.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

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	Commenter Name	Comment	Metro Response
		<p>force development. For example, Metro has projected that approximately \$260.0 million annually will be available to Los Angeles County jurisdictions for improvements to local streets including “complete streets.” One of the key objectives in pursuing SB 1 generated funds is to access the maximum of new state funds to leverage Measure M revenues and accelerate the implementation of “Shovel Ready Projects.”</p>	

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Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

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Metro Responses to Public Speaker Comments Provided at June Committees

	Commenter Name	Comment	Metro Response
1	Jackie Illum – Community Health Councils; Andrew Pasillas – Safe Routes to School National Partnership; Claudia Goytia – American Heart Association; Papa Joe Aviance – American Heart Assoc. Volunteer; Amanda Meza – Investing In Place; * Wes Reutimann – Bike SGV; Lindsey Nolan – LA County Bike Coalition; Jean Ambrewster – Dept. of Public Heath * Andrew Yip – Bike SGV	These speakers placed an emphasis on the need for the following: <ul style="list-style-type: none"> • Complete Streets policy; • An emphasis on safety; and • Prioritization of equity. 	<ul style="list-style-type: none"> • Admin: Additional criteria regarding the application of Metro's Complete Streets Policy will be considered as part of the administrative procedures to be developed. • Policy: Policy development regarding Safety as it may apply countywide is needed. This can be done as part of the LRTP Update process, in consultation with the PAC. • Admin: The LRTP Update process, as presented to the Metro Board, identifies a need for a comprehensive equity analysis. This will include how equity is defined, and considered in setting priorities for Metro investments including but not limited to Measure M. This will occur during the LRTP development, in consultation with the PAC.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

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	Commenter Name	Comment	Metro Response
2	* Charlie Honeycutt – City of Signal Hill; Steve Lantz – South Bay COG	Address the road needs for small cities; access to additional funds.	
3	* Asiyahola Sankara – ACT-LA	Wants to expand TOC language and preserve affordable housing.	Policy: Metro recognizes the need for further development of a TOC policy. The broader coordination between transit and affordable housing need will be addressed through the LRTP process, and in the short term, the administrative process for Local Return can be refined to more clearly align with existing Metro programs.
4	* Jerard Wright - BizFed	Wants performance metrics that links tax expenditures to economic drivers.	Admin: Performance Metrics guiding Metro's investment challenges and opportunities will be developed as part of the LRTP Update process—, including Measure M projects and programs. This will include PAC consultation. The need for performance metrics can be referenced in the Administrative procedures to be developed.
5	*Marianne Kim – Auto Club	Focus on traffic reducing project; and Desire for MOE standards that can be audited.	
6	* Jessica Duboff – LA Chamber	Expanding programs and shifting funds	Policy: Policy development is needed. This can be done as part of the LRTP Update process, in consultation with the PAC.

* Submitted additional testimony through a public speaker card and/or letter

Policy: to be considered in future policy deliberations

Concurrence: Metro concurs

Admin: Administrative procedures

Restated: Staff notes Guidelines or Ordinance details



Measure M Guidelines

Planning and Programming Committee
Executive Management Committee

June 14, 2017
June 15, 2017

Introduction

Measure M is Distinct from Measure R:

- Measure M is more comprehensive & complex
- No sunset
- Increased oversight and evaluation mechanisms

Therefore, these Guidelines must:

- Reinforce fiduciary responsibility first and foremost
- Provide guidance framework for all aspects of Measure M, not just where guidance specifically indicated
- Use lessons learned from Measure R



Outreach

- Staff attended more than 20 public meetings
- Comments from more than 60 submissions
 - More than 300 comments on various topics
- Focus of topics generally align with those selected by the PAC

The PAC reported various comments at the May Board Meeting in the following five general areas:

- Local Return
- ADA/Paratransit & Senior/Student Discounts
- 3% Local Contribution for Transit
- Multi-year Subregional Programs (MSP)
- Project Readiness & Program Eligibility

Local Return (Section XXV)

Metro Recommendation: Based on resident population

1. No minimums established by Metro (p.75)
2. Reallocation of Local Return distributions can be pursued at the subregional level (p. 91)
3. Measure M Multi-year Subregional funds can be used to supplement Local Return allocations
 - Subject to the eligibility, process, and availability of funds as described in the Measure M Guidelines for MSP (p. 24)

Local Return

Recommendation	Rationale
Resident Population	Most reliable data and updated annually Compliance with Ordinance Consistent with other sales tax measures
No minimums established by Metro	PAC consensus was to eliminate floors
Subregional Reallocation	Subregions can reallocate funds to help their smaller cities Does not impact subregions that choose not to reallocate
Measure M Multi-year Subregional funds	Can be used to supplement Local Return allocations, subject to eligibility, process, and availability as described in the Ordinance and the Measure M MSP guidelines (p.24)

Operating, SGR & Regional Subsidies

Measure M Category	Guidelines
Transit Operations (20%)	No revisions (p. 66)
Metro Rail Operations (5%)	No revisions (p. 63)
Metro State of Good Repair (2%)	No revisions (p. 73)
Regional Rail (1%)	Revised to reflect Metrolink comments (p. 59) <ul style="list-style-type: none">▪ Evaluation of performance measures are to be considered by Metro Board to determine whether to increase from 1% to 2%
ADA Paratransit/ Metro Discounts Seniors & Students (2%)	Revised to address PAC/ AARP/ Access/ stakeholder comments (p.70) <ul style="list-style-type: none">▪ Include Travel Training/Mobility Management programs (bridging mobility gap for older adults)▪ Marketing campaign to create public awareness of the programs available



Metro

3% Local Contribution – Response to Comments

- Clarified what could constitute a local contribution, and how “betterments” are defined.
- Clarified that the requirement applies only to Measure M rail projects. (p. 21)
- Clarified calculation for the 3% local contribution occurs at 30% of Final Design (as called for in the ordinance). (p.21)
- Pursuant to the Guidelines and the ordinance, “in kind” contributions are allowed from the local agency provided that they are included in the project cost at the time 30% of the final design is completed. (p.22)
- Also, the contribution can be redistributed among the affected agencies, at their discretion, provided that it is within the timing parameters of the Ordinance language.
 - This may include the assignment of the contribution to the Supervisorial District for projects located in Unincorporated LA County. (p.23)

3% Local Contribution (Section VII)

Project Betterments

The definition of betterment was slightly revised to reflect the definition adopted by the Metro Board*: “as an upgrade of an existing city or utility’s facility or the property of a Third Party, be it a public or private entity, that will upgrade the service capacity, capability, appearance, efficiency or function of such a facility or property of a third party.” (p.22)

Once 30% final design project scope has been set, subsequent betterments cannot count toward 3% contribution. (p.22)

*Supplemental modifications to Transit Projects Policy (2013)

Multi-Year Subregional Programs (MSP)

2 Significant requests:

- Equal funding priority to other capital
 - Is on priority par with other purposes within H & T capital subfunds (p.28)
 - Disbursements by funds subject to cashflow procedures
 - Metro retains bonding authority
- Need a specific subregional process
 - MSP 5 year plan process defined (p.26)
 - Up to 0.5% of individual MSP funding category can be used to support plan process (p. 27)

MSP 5 Year Plan – Key Elements

- Public Participation requirement for Project identification and inclusion in Program
- 5-year Program to be adopted by Subregional entity, then the Metro Board
- Mobility Matrix projects can be considered, but flexibility allowed
- Amendments can be made consistent with Program steps

Readiness & Eligibility of Funds

Requested clarification regarding:

- Project Readiness by Phase: readiness thresholds will be defined for distinct phases of project, up to and including construction (p.28)
 - Appropriate to distinct MSP categories
- Eligibility: recipient flexibility for countywide BRT, if consistent with upcoming countywide study (p. 55)

Further direction to be developed as part of Administrative Procedures

Administrative Development – Attachment D

- Cashflow Management
- Contingency Subfunds
- Multi-year Subregional Programs
 - Transit
 - Highway
- Metro Active Transportation
- 2% System Connectivity
 - Transit
 - Highway
- Visionary Project Seed Funding
- Countywide BRT Expansion
- Subregional Equity Program

Next Steps

- Public Comments Summary (Attachment)
- PAC Recommendations/Comments (Attachment)
- Board Committees- June 14-15
- Board Adoption-June 22
- Develop Administrative Procedures
 - PAC will have participatory role in development and review
 - CEO approves; can advance issues to Board as warranted



Questions?



Metro



Board Report

File #: 2017-0424, File Type: Policy

Agenda Number: 43.

EXECUTIVE MANAGEMENT COMMITTEE JUNE 15, 2017

SUBJECT: BOARD RULES AND PROCEDURES

ACTION: AMEND RULES AND PROCEDURES FOR BOARD DEPUTY TRAVEL

RECOMMENDATION

AMEND Section 6.6 (Board Travel Expenses), Board Rules and Procedures of the Los Angeles County Metropolitan Transportation Authority ("Metro"), as set forth in Attachment A.

ISSUE

Currently, Board Deputies are reimbursed travel expenses for up to two round-trips per fiscal year per Board office when the trip is to perform the official responsibilities of the deputy on behalf of LA Metro. From time to time Board Deputies will accompany their Director to State and federal legislative meetings and conferences for the purpose of supporting Metro legislation. The omission of reimbursement for legislative trips from section 6.6 deters the participation for Board deputies in key legislative activities that promote the interests of Metro.

Staff is requesting to amend the current Rules and Procedure to expand travel expense reimbursement for Board Deputies to include trips to Washington D.C. and Sacramento for Metro Legislative purposes while accompanying their Director. These trips are in addition to the two round-trips per fiscal year per Board office already included in Section 6.6.

DETERMINATION OF SAFETY IMPACT

There is no impact on safety.

FINANCIAL IMPACT

Travel expenses are included in FY18 budget in cost center 1010, Board Office, under project number 100002, Governmental & Oversight Activities.

Impact to Budget

Source of funds are Prop A and Prop C Administrative Fund. Prop A and Prop C Administrative Fund is not eligible for bus/rail operating or capital expense.

ALTERNATIVES CONSIDERED

The Board may decline to approve this recommendation. This action is not recommended as it will affect the board deputy attendance at key legislative meetings and conferences.

NEXT STEPS

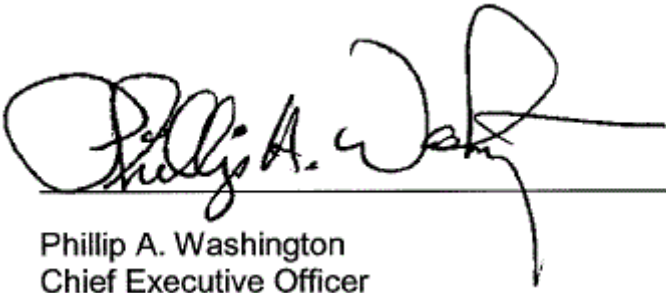
Upon Board Approval, staff will amend the Board Rules and Procedures.

ATTACHMENTS

Attachment A - Amended Board Rules and Regulations, Section 6.6

Prepared by: Elba Higueros, Chief Policy Officer, (213) 922-6820

Reviewed by: Stephanie Wiggins, Deputy Chief Executive Officer, 213-922-1023



Phillip A. Washington
Chief Executive Officer

- 6.6 Board Travel Expense. Metro shall reimburse ordinary, necessary and reasonable business expenses, incurred in connection with official responsibilities performed on behalf of Metro; however, in order to qualify for full reimbursement, travel arrangements must be made through the Metro Travel Office. Metro will reimburse the airfare and hotel costs for Board deputies, up to two round-trips per fiscal year per Board office, as long as the purpose of the trip is to perform the official responsibilities of the deputy on behalf of Metro, those responsibilities are in fact carried out and performed by the deputy and the trip by the deputy is authorized by Director to whom the deputy reports. **Metro will reimburse the travel expenses, in conformance with Metro Travel and Business expense Policy (Policy #FIN 14), for Board deputies to Washington D.C. & Sacramento for Metro legislative purposes when accompanying the Director to whom the deputy reports to.**



Board Report

File #: 2017-0419, File Type: Contract

Agenda Number: 48.

**REGULAR BOARD MEETING
JUNE 22, 2017**

SUBJECT: PROGRAM MANAGEMENT SUPPORT SERVICES

ACTION: AWARD PROFESSIONAL SERVICES CONTRACT

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to award a five-year cost reimbursable fixed fee contract plus a two-year option, Contract No. AE35279, to Kal Krishnan Consulting Services/Triunity Engineering & Management Joint Venture (KKCS/Triunity JV), the most qualified proposer, for Program Management Support Services (PMSS) for a not-to-exceed amount \$24,970,960 through Fiscal Year 2019; and
- B. AUTHORIZING the Chief Executive Officer to execute individual Contract Work Orders and Contract Modifications within the Board approved contract funding amount.

ISSUE

On November 21, 2016, request for proposals were issued for Program Management Support Services (PMSS) to assist Metro to manage and support Board-approved projects for a base term of five years with one two-year option. These services will be required to supplement staffing and provide technical expertise to support project delivery of capital projects and strategic initiatives detailed in the Program Management Plan (PMP) and the Annual Program Evaluation (APE) presented to and approved by the Board. Staff will return to the Board every two years to request additional authorization for the subsequent two year period.

The PMSS Contract will provide Metro the flexibility to adjust the necessary resources to implement and deliver capital projects safely, on-time and within budget. The recommended joint venture contractor is comprised of two Small/Disadvantaged Business Enterprise (SBE/DBE) firms - Kal Krishnan Consulting Services, Inc. and Triunity Engineering & Management, Inc.

Anticipated Not-To-Exceed Value

The recommended Board action will provide initial funding through the end of FY2019 as part of a multiyear contract with an anticipated contract value of \$63,347,705 for the base five-years, plus

\$27,461,365 a two-year option, for a combined total amount not to exceed \$90,809,070. As this is a cost plus fixed fee staff augmentation contract, the contractor compensation will be based on the actual support required over the life of the contract and will be limited by the Board approved project budget funding.

DISCUSSION

The Program Management Department is responsible for the delivery of the large transportation capital program at Metro. With the recently approved Measure M program added to the Measure R program, Metro is currently undertaking the largest transportation construction program in the nation, which creates an unprecedented challenge to project delivery. Recognizing that staffing is a key factor in project delivery, Program Management is committed to developing strengths in its capacity and capability to ensure the multi-billion dollar capital program can be successfully managed. Attachment C lists the projects that we expect to support over the duration of the PMSS contract.

The proposed PMSS Contract is a new approach for Metro that would assist Program Management in securing sufficient qualified resources across a broad spectrum of disciplines in a timely manner needed to manage and support delivery of Board approved projects. The selected consultant would scale staff up or down depending on Metro's transit, highway, regional rail and other capital improvement program needs. Also it was assumed that there would be a greater reliance on consultants going forward due to the size of Metro's capital program. The contract allows us to efficiently and effectively augment Metro Program Management staff as required to ensure proper resources needed to manage a project are available to us both in terms of staff availability and technical expertise.

Scope

Shortly after Measure M was approved, Program Management and Vendor/Contract Management jointly hosted Metro's first Pre-Solicitation Meet and Greet Session for the upcoming PMSS opportunities to business owners, which was also attended by the CEO. Prime contractors and other businesses were encouraged to network with each other for possible future joint ventures, partnerships or subcontracting opportunities. Establishing a competitive and qualified pool of consultants, contractors, and small businesses on Metro's projects is integral to successful project delivery.

With the significant increase in number and size of projects and the aggressive implementation schedule for delivering Metro's Capital Program, close coordination and expertise across multi-disciplines are required in the following eight key functions: project management, program management, project delivery development support, project control, estimating, configuration management, project management and other technical training, and Project Management Information System (PMIS) support services. The scope also allows for contract administration and small business contract compliance support assisting Vendor/Contract Management (V/CM) to efficiently provide sufficient staffing needed to perform V/CM support activities. Combining all the above functions together into one contract allows for a better coordinated and more efficient allocation of resources for Metro than would be possible under a series of separate contracts.

The recommended PMSS contract approach is similar to the construction management support services (CMSS) contracts that are separately awarded to provide consultants to complement Metro staffing and technical expertise needed on each major transit project. However, while the CMSS contracts typically serve individual transit projects, the recommended PMSS contract aims to fulfill the consultant staffing demand on a program-wide level on various multiple transit, regional rail, highway, and other capital improvement projects.

Term

Due to the length of time required to deliver many of the major projects, it is very disruptive to change consultants mid-stream. Therefore the recommended PMSS contract term would provide more continuity and less disruption by implementing a base 5 year contract with a 2 year option versus a shorter term contract.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an impact on established safety standards for Metro's construction projects.

FINANCIAL IMPACT

The not-to-exceed award value is based on the anticipated level of services. The Contract Work Orders (CWO) issued will reflect the actual level of services required to support individual Board-approved projects. The Contract funds are authorized by issuing separate CWOs for various projects using labor classifications and rates set forth in the Contract. This method of contracting results in more efficient cost and schedule management, since CWOs and modifications to existing CWOs are negotiated and issued as additional work is identified.

Funding for these services are included in the approved FY18 Budget for the various Metro projects. The individual CWOs will be funded from the associated life-of-project (LOP) budgets that are approved by the Board. The project managers, cost managers and Chief Program Management Officer will be accountable for budgeting the cost in future years, including cost associated with exercising the option.

Impact to Budget

There is no impact to the FY18 Budget as funds for this action will be included in the approved budget for each project. Most of the projects are funded with multiple sources of funds: federal and state grants, federal loans, bonds and local sales taxes. Much of local sales taxes are eligible for bus and rail operations and capital improvements. These funds are programmed to state of good repair projects and to augment the costs of mega projects, where eligible and appropriate.

ALTERNATIVES CONSIDERED

The Board may choose to have existing or new Metro staff perform these services. This alternative is not practical or cost effective because Metro would have to hire a large workforce and attract high-paid expertise dependent on fluctuating projects' needs. While requests for additional Metro staff are being considered by the Board as part of the fiscal year budget process, consultant support is also

recommended in order to meet peak, short-term needs, and provide technical assistance that is not available internally.

NEXT STEPS


After Board approval of this PMSS contract, the Contracting Officer will award the contract in accordance with Metro Procurement Policies and Procedures.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary
Attachment C - Anticipated List of Projects

Prepared by: Brian Boudreau, Sr. Executive Officer, Program Control, (213) 922-2474

Reviewed by: Rick Clarke, Chief Program Management Officer, (213) 922-7557
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

PROGRAM MANAGEMENT SUPPORT SERVICES / AE35279

1.	Contract Number: AE35279	
2.	Recommended Vendor: Krishnan Consulting Services/Triunity Engineering & Management Joint Venture	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input checked="" type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: November 21, 2016	
	B. Advertised/Publicized: November 21-24, 2016	
	C. Pre-proposal/Pre-Bid Conference: December 6, 2016	
	D. Proposals/Bids Due: January 12, 2017	
	E. Pre-Qualification Completed: May 22, 2017	
	F. Conflict of Interest Form Submitted to Ethics: March 28, 2017	
	G. Protest Period End Date: May 22, 2017	
5.	Solicitations Picked up/Downloaded: 201	Bids/Proposals Received: 4
6.	Contract Administrator: Tamara Reid / Bruce Warrensford	Telephone Number: (213) 922-7215 / (213) 922-7338
7.	Project Manager: Amy Wang	Telephone Number: (213) 922-1024

A. Procurement Background

This Board Action is to approve the award of Contract No. AE35279, issued in support of Program Management Support Services (PMSS). The scope of the Contract is to support the Program Management Department in managing and supporting the delivery of Metro's Capital Program. Board approval of contract awards are subject to resolution of all properly submitted protests.

The Contract type is a Cost Plus Fixed Fee (CPFF). The Contract period of performance is five base years plus one two-year option.

The RFP was issued in accordance with Metro's Acquisition Policy and California Government Code §4525 - 4529. The contract type is a cost-plus fixed fee contract. Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on December 6, 2016, extended the proposal due date; and
- Amendment No. 2, issued on January 5, 2017, modified the DBE Contract Outreach and Mentoring Plan.

On December 6, 2016, a pre-proposal conference was held with 36 firms in attendance. Four proposals were received on January 12, 2017.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of management staff from Program Management and Vendor/Contract Management was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposals were evaluated based on the following evaluation criteria and weights:

- Experience, Qualifications, and Capabilities of Firms on the Team 30%
- Experience, Qualifications, and Capabilities of Personnel 40%
- Understanding and Approach to Service Delivery 30%
- DBE Contracting Outreach and Mentor Protégé Approach (Bonus) 4%

The evaluation criteria are appropriate and consistent with criteria developed for other, similar Architect and Engineers (A&E) procurements. Several factors were considered when developing these weights, giving the greatest importance to the experience, qualification and capabilities of personnel.

This is an A&E, qualifications based procurement. Price cannot be and was not used as an evaluation factor as governed by California Government Code §4525 - 4529.

All four proposals were determined to be within the competitive range and are listed below in alphabetical order:

1. Kal Krishnan Consulting Services/ Triunity Engineering & Management Joint Venture (KKCS/Triunity JV);
2. LA Mobility Solutions;
3. PMA-Intueor JV; and
4. Anil Verma Associates, Inc./Simpson & Simpson Management Consulting JV

During the week of February 9, 2017, the PET conducted oral presentations with the firms. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation committee's questions. In general, each team's presentation addressed the requirements of the RFP, experience with all aspects of the required tasks, and stressed each firm's commitment to the success of the project. Also highlighted were staffing plans, work plans, and perceived project issues. Each team was asked questions relative to each firm's qualifications and previous experience.

Qualification Summary of Recommended Firm:

The evaluation performed by the PET, in accordance with evaluation criteria set forth in the RFP, determined KKCS/Triunity JV as the most qualified firm to provide the required services.

KKCS has extensive experience with Metro contracts and similar projects for other transit agencies. Their firm showed a good understanding of Metro's processes and solutions to mitigate potential risks.

Triunity Engineering & Management (Triunity) specializes in program Management/Construction Management and System Engineering services specifically for highway and rail transportation.

KKCS/Triunity JV provided a detailed Project Management Plan that included extensive coordination with internal teams and Metro as well as staffing requirements demonstrated a clear understanding of the proposed scope of work.

KKCS/Triunity JV demonstrated they are well-skilled in providing the scope of services at the level required by this contract, and has the capabilities to provide staffing for task order assignments that may be issued under this contract.

The PET ranked the proposals and assessed strengths, weaknesses and associated risks of each of the Proposers to determine the most qualified firm.

1	FIRM	Avg Score	Factor Weight	Weighted Average Score	Rank
2	KKCS/Triunity JV				
3	Experience, Qualifications and Capabilities of Firms on the Team	90.67	30%	27.20	
4	Experience, Qualifications and Capabilities of Personnel	90.67	40%	36.27	
5	Understanding and Approach to Service Delivery	91.67	30%	27.50	
6	DBE Contracting Outreach & Mentor Protégé Approach	75.00	4%	3.00	
7	Total		104%	93.97	1
8	LA Mobility Solutions				
9	Experience, Qualifications and Capabilities of Firms on the Team	90.00	30%	27.00	
10	Experience, Qualifications and Capabilities of Personnel	88.33	40%	35.33	
11	Understanding and Approach to Service Delivery	89.33	30%	26.80	
12	DBE Contracting Outreach & Mentor Protégé Approach	75.00	4%	3.00	
13	Total		104%	92.13	2
14	PMA-Intueor JV				
15	Experience, Qualifications and Capabilities of Firms on the Team	83.00	30%	24.90	
16	Experience, Qualifications and Capabilities of Personnel	83.33	40%	33.33	

17	Understanding and Approach to Service Delivery	84.33	30%	25.30	
18	DBE Contracting Outreach & Mentor Protégé Approach	50.00	4%	2.00	
19	Total		104%	85.53	3
20	Anil Verma/Simpson & Simpson JV				
21	Experience, Qualifications and Capabilities of Firms on the Team	77.67	30%	23.30	
22	Experience, Qualifications and Capabilities of Personnel	53.33	40%	21.33	
23	Understanding and Approach to Service Delivery	81.67	30%	24.50	
24	DBE Contracting Outreach & Mentor Protégé Approach	75.00	4%	3.00	
25	Total		104%	72.13	4

C. Cost/Price Analysis

A cost analysis of labor rates, indirect rates and other costs was completed in accordance with Metro's Procurement Policies and Procedures to negotiate a fair and reasonable price. The analysis includes among other things, (1) a comparison with historical cost data of other firms offering similar services; (2) an analysis of audited rates and factors for labor, equipment and other prices that will comprise the rates upon which the Consultant will base its invoices, and (3) compliance with both the Federal Acquisition Regulation (FAR) guidelines and Generally Accepted Accounting Principles (GAAP). Metro negotiated and established direct labor rates plus provisional indirect rates and a fixed fee rate. The pricing for each task order will utilize the rates, plus the negotiated fixed fee factor, to establish a lump sum price or not-to-exceed cost reimbursable amount plus a fixed fee.

An audit request has been submitted to the Metro Management Audit Services Department (MASD). In order to prevent any unnecessary delay in contract award, provisional overhead rates have been established subject to retroactive adjustments upon completion of any necessary audits. In accordance with FTA Circular 4220.1.F, if an audit has been performed by any other cognizant agency within the last twelve month period, Metro will receive and accept that audit report for the above purposes rather than perform another audit.

Proposer Name	Term	Proposal Amount*	Metro ICE*	Recommended Not-To-Exceed Amount
KKCS/ Triunity JV	Base Contract for Years 1-5	\$76,745,630	\$73,901,212	\$63,347,705
	Option for Years 6-7	\$32,436,265	\$32,530,392	\$27,461,365
	Total Contract Value (Base + Option)	\$109,181,895	\$106,431,604	\$90,809,070

*Note: These amounts reflect higher level of effort during the procurement which were not reflected in the Not-to-Exceed Amount.

D. Background on Recommended Contractor

KKCS/Triunity JV is a multi-disciplined team that has extensive experience providing program management services for transportation agencies across the U.S. Founded in 1987, KKCS is a Metro-certified DBE firm with 87 employees in Los Angeles and regional offices in Oakland, San Diego, Seattle, New York, and Boston.

Since 2003, Triunity and its 50+ employees have provided full spectrum Project Management/Construction Management services including program management, project management, construction management, project controls, project management oversight, and estimating to transportation agencies, including Regional Transportation District-Denver (RTD) and FTA PMOC.

KKCS has a successful partnership with Metro and has had a role helping to deliver some of Metro's largest projects, including I-405 Sepulveda Pass Improvements; Alternatives Analysis for the Westside Subway Extension; Expo Light Rail Phase 2; Universal City Station Pedestrian Bridge; Assessment of Operations Capital Improvements and Supplementary Station Entrances for the Metro Blue, Green, and Gold Lines; Congestion Reduction Demonstration Program for Metro ExpressLanes; and Red Line Station Canopies.

In addition, KKCS and Triunity are currently providing program-level support to Metro's Program Management Department, assisting implementation of specific program and construction management best practices, including the Project Review Readiness Procedure, Project Delivery Selection Procedure, Lessons Learned Report and Program, and Risk Management Program.

DEOD SUMMARY

PROGRAM MANAGEMENT SUPPORT SERVICES AE35279

A. Small Business Participation

The Diversity and Economic Opportunity Department established a 30% Disadvantaged Business Enterprise (DBE) goal. Kal Krishnan Consulting Services/Triunity Engineering & Management, a DBE Prime Joint Venture, exceeded the goal by making a 73.31% DBE commitment.

Overall DBE participation for this contract will be determined as actual level of services required, and the aggregate value of all Contract Work Orders issued.

SMALL BUSINESS GOAL		30% DBE	SMALL BUSINESS COMMITMENT	73.31% DBE	
	DBE Contractors	Scope of Work	NAICS Codes	Ethnicity	% Committed
1.	KKCS (JV Partner / DBE Prime)	Program Management, Project Control	541611 - Admin. Mgmt. and Gen. Mgmt. Consult.	Subcontinent Asian	TBD
2.	Triunity (JV Partner / DBE Prime)	Program Management	541611 - Admin. Mgmt. and Gen. Mgmt. 541690 – Other Scientific and Tech. Consulting Services 541618 – Other Mgmt. Consulting	African American	TBD
3.	Armand Resource Group, Inc.	Contract Compliance	541611 - Admin. Mgmt. and Gen. Mgmt. 541618 - Other Mgmt. Consulting	African American	TBD
4.	Lenax Construction Services, Inc.	Cost Estimating & Project Controls Support Services	541611 - Admin. Mgmt. and Gen. Mgmt. 541618 - Other Mgmt. Consulting; 561499 - All Other Business Support Services;	Caucasian Female	TBD
5.	LKG-CMC, Inc.	Doc. Control, Configuration Mgmt. Admin.	541611 - Admin. Mgmt. and Gen. Mgmt. 541618 - Other Mgmt. Consulting	Caucasian Female	TBD
6.	MBI Media	Public Outreach and Meeting Facilitation	541820 - Public Relations Agencies	Caucasian Female	TBD
7.	Ogx Consulting	Project Program Management Support Services	541611 - Admin. Mgmt. and Gen. Mgmt. 541618 - Other Mgmt. Consulting; 541612 - Human Resources Consulting Services	African American	TBD

8.	Ramos Consulting Services	Project Controls & Estimating	541330 - Engineering Services; 541611 - Admin. Mgmt. and Gen. Mgmt.	Hispanic American	TBD
9.	Stellar Services, Inc.	Program Management Information Systems	541511 - Custom Comp. Prog. Services; 541512 - Computer System Design Services; 541519 - Other Computer Related Services;	Asian Pacific American	TBD
Total Commitment					73.31%

B. Contracting Outreach and Mentoring Plan

To be responsive, Proposers were required to submit a Contracting Outreach and Mentoring Plan (COMP), to include their plans to mentor two (2) DBE firms for protégé development.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Living Wage Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this contract.

ANTICIPATED LIST OF PROJECTS

Program-wide Support

Measure M Program Support
Implementation of Construction Management Best Practices Los Angeles County Construction Market Analysis
Policies/Procedures Streamlining/Updates
Project Management Information System (PMIS)

Transit

Crenshaw/LAX Project
Regional Connector Project
Westside Purple Line Extension Section 1 Project
Westside Purple Line Extension Section 2 Project
Westside Purple Line Extension Section 3 Project
Airport Metro Connect 96th St. Station/Green Line Ext LAX
Willowbrook/Rosa Parks Station Improvements Project
Rail to River Corridor Active Transportation Connector Project
Patsaouras Busway Plaza Station
Division 20 Portal Widening Turnback Facility
Gold Line Foothill Extension to Claremont
Orange Line BRT Improvements
BRT Connector Orange/Red Line to Gold Line
East San Fernando Valley Transit Corridor Project
West Santa Ana Transit Corridor LRT
Crenshaw/LAX Track Enhancement Project
Vermont Transit Corridor
Green Line Extension to Crenshaw Blvd in Torrance
Sepulveda Pass Transit Corridor (Ph 2)
Gold Line Eastside Extension (One Alignment)
West Santa Ana Transit Corridor LRT
Crenshaw Northern Extension
Lincoln Blvd BRT
Green Line Eastern Extension (Norwalk)
SF Valley Transportation Improvements
Sepulveda Pass Westwood to LAX (Ph 3)
Orange Line Conversion to Light Rail
Historic Downtown Streetcar
Gold Line Eastside Extension Second Alignment
Division 22 Paint And Body Shop
Southwestern Maintenance Yard
Metro Red Line Civic Center Station Escalator/Elevator Modernization
Metro Red Line Escalator Replacement/Modernization
Metro Gold Line I-210 Barrier Replacement Phase I
Division 20 Wheel Press

Security & Safety Projects

Metro Emergency Security Operations Center
Automated License Plate Recognition Network Phase I
Automated License Plate Recognition Network Phase II
Metro Blue/Green Lines Transit Passenger Information System

Environmental Compliance Program

Fuel Storage Tank Program
Soil Remediation Project
Energy Conservative Initiative Project
Sustainability Environmental Compliance
Carbon Emissions Greenhouse

Regional Rail

Rosecrans / Marquardt Grade Separation
Lone Hill to White
LINK US (SCRIP)
Bob Hope Airport Metrolink Station
Doran Street Grade Separation

Soundwall Projects

Metro Blue Line State of Good Repairs

Metro Blue Line Pedestrian Safety Enhancement at Grade Crossings
Metro Blue Line Signal System Rehabilitation

Rail Operations Capital Improvement Projects

Fire Control Panel Upgrade
Metro Red/Purple Line Platform Gates Replacement
Heavy Rail Subway SCADA System Replacement
Metro Red Line 7th/Metro Turnback Upgrade
Metro Green Line ETS Replacement
Metro Green Line Negative Grounding Devices
Metro Red Line Tunnel Lighting Rehabilitation
Fiber Optic Main Loop Upgrade
Metro Red Line Gas Analyzer Upgrade
Metro Green Line UPS for TCCB
North Long Beach Duct Bank Upgrade Phase II
System Wide Corrosion Protection System Replacement
Metro Blue Line Rail Replacement & Booting
Metro Red Line TWC Rehabilitation
Metro Red Line Div. 20 Yard Switch Machines Replacement
Metro Red Line Electronic Access Control / Alarm Monitoring System Replace
Platform Track Intrusion Detection System
Metro Green Line Train Control Track Circuits and TWC Replacement
Fare Gates Project
Digital Rail Radio System
Metro Green Line Signal System Rehabilitation Phase II
Metro Green Line Remote Terminal Unit Refurbishment
Blue and Gold Line Train Control Battery Replacement
Metro Green, Red, and Blue Line ETEL/PTEL Replacement
Green and Gold Line TPSS Battery Replacement
Metro Green and Blue Line TPIS Replacement
Green Line Switch Machine Overhaul
Metro Blue Line Emergency Trip System Replacement

Highway

I-5 North Magnolia - Seg 4
I-5 North Empire - Seg 3
I-5 North SR170 to Buena Vista - Seg 2
I-5 North SR 170- SR118 - Seg 1
I-5 North Corridor
I-5 S Alondra Overcrossing
I-5 S Valley View Interchange
I-5 S Shoemaker/Rosecranz Bloomfield
I-5 S Imperial Hwy/Orr Day Rd
I-5 S Florence Interchange
I-5 South Corridor
I-605/I-5 Interchange Improvements
I-605/SR-91 Interchange Improvements
I-605/SR-60 Interchange Improvements
I-710/SR-91 Interchange Improvements
I-605/I-405 Interchange Improvements
605 Hot Spots
High Desert Corridor - PAED
I-5 S Carmenita Interchange
I-5 North Capacity Enhancement (SR14 to Parker Road)
I-10 HOV Lanes from Puente Av to Citrus Ave
I-10 HOV Lanes from Citrus Ave to SR 57
I-710 South - PAED
I-710 Early Action (Soundwalls)
I-710 North - PAED (For Internal Only)***
I-405 Crenshaw Blvd on/off ramp Improvements
I-110 Aux Lane From SR-91 to Torrance Blvd Auxiliary Lanes
SR-71 Gap - I-10 to Mission
SR-71 Gap - Mission to Rancho Road
SR-138 Avenue D - I-5 to SR-14 - PAED



Board Report

File #: 2017-0096, File Type: Contract

Agenda Number: 49.

REGULAR BOARD MEETING JUNE 22, 2017

**SUBJECT: HIGHWAY PROGRAM PROJECT DELIVERY SUPPORT
SERVICES FOR LOS ANGELES COUNTY**

ACTION: AWARD PROFESSIONAL SERVICES CONTRACTS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD three, three-year on-call contracts, Contract Nos. AE30673000, AE30673001, and AE30673002, to AECOM Technical Services, Inc., CH2M Hill, Inc., and Parsons Transportation Group, Inc., respectively, for a total not-to-exceed amount of \$30,000,000, for **Highway Program Project Delivery Support Services for Los Angeles County**, subject to resolution of protest(s), if any; and
- B. AWARD Task Orders within the approved not to exceed cumulative value of \$30,000,000.

ISSUE

The Highway program requires professional services to support the various phases of the highway program project delivery process (planning, research/data collection, environmental assessments/clearance, design, public outreach, project management, quality assurance/quality control, risk analysis, surveying, etc.). The majority of the task order assignments that may be issued under these Contracts are tasks that will require specialized services and must be initiated and completed in a relatively short period of time. The Highway Program On-Call Services Contracts will enable the initiation and award of task orders in a shorter period of time than the traditional RFP solicitation process for technical and professional services and provide for cost effective and accelerated delivery of projects.

DISCUSSION

Metro's Highway Program is delivering a number of short, mid, and long term improvement projects. This includes non-Measure R (Federal, State and Proposition C), Measure R and soon Measure M projects for which funding has been or will soon be programmed for implementation. More than \$3.7 billion over the next decade have been earmarked for investments in highway improvements.

Highway Program has been utilizing an existing on-call contract that was awarded in December 2013 and will expire in June 30, 2017. This contract has been successful in assisting the Program Management (Highway, Engineering and Construction) Division to deliver highway improvement projects as well as transit-related projects on state highways and arterials. To date, staff has issued 14 task orders for a total value of \$9,955,939.00

The new on call Contracts will provide the needed technical assistance to the Program Management/Highway Program Department in the following areas: (1) Planning and Technical Studies, (2) Research/Data Collection, (3) Project Approval and Environmental Document (PA/ED), (4) Plans Specifications and Estimates (PS&E) Deliverables, (5) Project Right of Way and Utility Services, (6) Intelligent Transportation Systems Support, (7) Program/Project Management Support and QA/QC, (8) Administrative Project Support Activities and other tasks as identified by Highway Programs.

DETERMINATION OF SAFETY IMPACT

The approval of this procurement will not have any negative impact on the safety of Metro's patrons or employees or the users of the highway system in LA County.

FINANCIAL IMPACT

These are task order driven contracts which will be utilized and funded by Highway related projects. The funding mechanism for executing task orders will be driven by approved fiscal year funding of the affected Highway project(s). As a result, the execution of Recommendation A for these Contracts would have minimal financial impact to the agency. Initially, the contract awards will be funded with Measure R Administration (1.5%) funds and Prop C Streets and Highways (25%) funds with subsequent task orders issued and funded by a highway project(s).

Impact to Budget

FY 17 funding for these Contracts will come from Measure R Administration (1.5%) funds under project 100055, task number 08.01, cost center 4730, and account 50316; and Proposition C Streets and Highways (25%) funds under project 405522, task number 01, cost center 4730 and account 50316.

Since these are multi-year Contracts, the Chief Program Management Officer, Senior Executive Officer, Highway Program and Cost Center Manager will be responsible for budgeting the costs in future years.

ALTERNATIVES CONSIDERED

Two alternatives were considered:

1. Utilizing Metro staff to perform the work. This alternative is not recommended since the Highway Program is not staffed to perform all the technical services authorized under these on

-call Contracts.

2. Hiring additional full time personnel. This alternative is not recommended because an on-call contract is better suited to meet the as-needed staffing requirements for specialized technical knowledge and expertise, and to cover temporary peaks in workload.

NEXT STEPS

Upon approval by the Board, staff will execute Contract Nos. AE30673000, AE30673001, and AE30673002 with AECOM Technical Services, Inc., CH2M HILL, Inc., and Parsons Transportation Group, Inc., respectively.

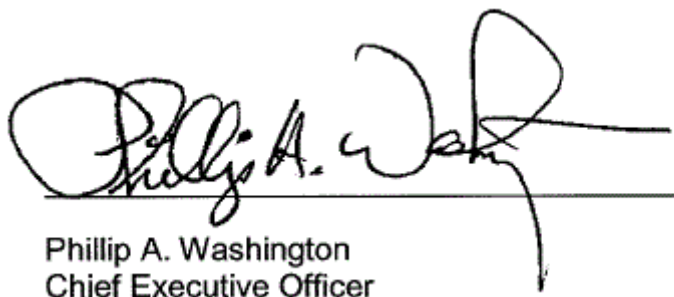
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Benkin Jong, Senior Transportation Planner (213) 922-3053
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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

**HIGHWAY PROGRAM PROJECT DELIVERY SUPPORT SERVICES FOR
LOS ANGELES COUNTY/AE30673000, AE30673001 & AE30673002**

1.	Contract Numbers: AE30673000, AE30673001 and AE30673002	
2.	Recommended Vendors: AECOM Technical Services, Inc., CH2M HILL, Inc., and Parsons Transportation Group, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input checked="" type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: August 24, 2016	
	B. Advertised/Publicized: August 24, 2016	
	C. Pre-Proposal Conference: September 7, 2016	
	D. Proposals Due: October 3, 2016	
	E. Pre-Qualification Completed: March 17, 2017	
	F. Conflict of Interest Form Submitted to Ethics: March 15, 2017	
	G. Protest Period End Date: April 21, 2017	
5.	Solicitations Picked up/Downloaded: 168	Proposals Received: 9
6.	Contract Administrator: David Chia	Telephone Number: (213) 922-1064
7.	Project Manager: Benkin Jong	Telephone Number: (213) 922-3053

A. Procurement Background

This Board Action is to approve Contract Nos. AE30673000, AE30673001 and AE30673002, which are respectively issued to AECOM Technical Services, Inc., CH2M Hill, Inc. and Parsons Transportation Group, Inc. (referred to individually as "Contractor" and collectively as "Contractors"), in support of on-call project delivery support services for highway capital projects throughout Los Angeles County. Board approval of contract awards are subject to resolution of any properly submitted protest.

This Architectural and Engineering (A&E) qualifications based Request for Proposal (RFP) to award three contracts was issued in accordance with Metro's Acquisition Policy. The RFP was issued with an SBE/DVBE goal of 30% (SBE 27% and DVBE 3%).

Work for each Contract will be authorized through the issuance of separate FFP task orders. Each future task order will contain a specific statement of work for a scope of services.

Task orders will be issued to the contractors on a rotating basis. If one contractor is unable to perform the work under a task order, the task order will be issued to the next contractor.

One amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on September 9, 2016, updated the Statement of Work to include safety provisions, clarified cost proposal instructions, and extended the proposal due date to October 3, 2016.

A pre-proposal conference was held on September 7, 2016, and was attended by 92 participants representing 62 companies. There were 40 questions asked and responses were released prior to the proposal due date.

A total of 168 firms downloaded the RFP and were included in the planholders' list. A total of 9 proposals were received on October 3, 2016.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET), consisting of staff from Metro Highway Programs and Caltrans District 7, was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- | | |
|------------------------------------------------------------|------------|
| • Experience and Capabilities of Contractor's Team | 30 percent |
| • Management Plan and Controls | 26 percent |
| • Degree of Skills and Experience of Team Members | 40 percent |
| • SBE/DVBE Contacting Outreach and Mentor Protégé Approach | 4 percent |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar A&E on-call project delivery support services procurements. Several factors were considered when developing these weights, giving the greatest importance to the degree of skills and experience of team members and experience and capabilities of the contractors' teams.

This is an A&E, qualifications based procurement; therefore, price cannot be used as an evaluation factor pursuant to state and federal law.

During October 6, 2016 through December 7, 2016, the PET completed its independent evaluation of the proposals. The PET determined that one firm was outside the competitive range and was not included for further consideration. The firm's management plan did not satisfactorily identify personnel, key roles, or positions and also did not demonstrate how work would be distributed/assigned. In addition, the firm did not demonstrate direct experience with emerging technologies or grant writing assistance.

The eight firms within the competitive range are listed below in alphabetical order:

1. AECOM Technical Services, Inc. (AECOM)
2. CH2M Hill, Inc. (CH2M)
3. HDR Engineering, Inc. (HDR)
4. Jacobs Engineering Group, Inc. (Jacobs)
5. Kimley-Horn and Associates, Inc. (Kimley-Horn)
6. Parsons Transportation Group, Inc. (Parsons)
7. TranSystems Corporation (TranSystems)
8. T.Y. Lin International (TY Lin)

On November 17, 2016, the PET interviewed the eight firms within the competitive range. The project manager and key team members from each firm were invited to present their firm's respective qualifications and respond to the PET's questions. In general, all firms elaborated on their experience with innovative and cost-effective project delivery solutions and discussed their staffing levels and long term staff commitments.

In addition, the project manager and key personnel from each firm responded to the PET's inquiries regarding the firm's approach and ability to reducing tort liability, negotiating between design preferences and design standards, reconciling between contract requirements and project requirements, managing differing stakeholder interests, and resolving disputes that may arise among public agencies and stakeholders.

Qualifications Summary of Recommended Firms

AECOM

AECOM is a multinational design and engineering firm that provides design, consulting, construction, and management services. AECOM's proposal and oral presentation demonstrated expertise in a wide range of services, expertise in emerging technologies and grant writing, effective project management, quality control and risk management plans, and a skilled team of project personnel.

The proposal and oral presentation demonstrated experience in all phases of planning and design services across a wide range of disciplines. AECOM identified projects that involved planning and environmental services, preliminary and final design services, and services during construction. AECOM also identified projects involving concept reports, feasibility studies, corridor studies, project study reports, technical studies, tunneling, project approval/environmental document services, public outreach, bridge and wall structures services, traffic handling services, utilities and electrical services, landscaping services, and geotechnical services. Examples include: the I-710 South Corridor Environmental Impact Report/Environment Impact Statement (EIR/EIS), SR-47 Heim Bridge Plans, Specification & Estimate (PS&E), and I-405/Avalon Interchange Project Approval/Environment Document (PA/ED) and PS&E.

The proposal and oral presentation demonstrated substantial experience in emerging technologies, citing the design of Hyperloop test tracks for Space X and the development of the e-Highway demonstration project for the SR-47. In addition, the proposal demonstrated AECOM's experience with alternative project delivery, including the I-210 Iconic Freeway Structure, SR-91 Expansion, and the I-15/I-215 Devore Interchange.

The proposal and oral presentation provided a detailed management plan that included a task order management plan, project organization chart, quality management system, and project controls plan. The oral presentation also elaborated upon AECOM's quality management system, which has earned AECOM an ISO 9001:2008 certification for exceptional quality management.

The proposal and oral presentation stressed the importance of identifying risks, understanding stakeholder objectives, and utilizing AECOM's deep-rooted relationships with agency contacts, particularly with Caltrans geometric reviewers and district liaisons. In addition, the proposal demonstrated AECOM's local stakeholder experience, which includes Metro, Caltrans District 7, regional transportation agencies (Orange County Transportation Authority and Riverside County Transportation Commission), councils of government, cities, and local community groups.

The proposal and oral presentation demonstrated that AECOM's key personnel have direct experience across a gamut of disciplines, all stages of design, and an array of project delivery methods. Significantly, the project manager possesses 100% availability. The project manager has 32 years of experience. Other key personnel average over 27 years of experience.

CH2M

CH2M is a global engineering firm that specializes in consulting, design, construction, and operation services. CH2M's proposal and oral presentation showed expertise in a broad range of disciplines, expertise in emerging technologies and grant writing, effective project management, quality control and risk management plans, and an experienced team of project personnel.

The proposal demonstrated experience in all phases of planning and design services across a wide range of disciplines. The proposal identified projects that involved planning and design services, studies, and management. The proposal identified projects that involved technical studies, literature research, data collection, PA/ED services, PS&E services, right-of-way (ROW) and utility services, intelligent transportation systems (ITS) support services, project management services, and administrative project support.

The proposal demonstrated highly relevant on-call experience and substantial local stakeholder experience within the Los Angeles area, including Metro, Caltrans Districts 7, councils of government, municipalities, and city agencies.

The proposal and oral presentation demonstrated substantial experience in emerging technologies and alternative project delivery. The proposal identified leading ITS projects that involve all-electronic tolling, road user pricing, advanced traffic management (ATM) systems, vehicle-miles traveled fee (VMT) systems, adaptive traffic signal control systems (ATSCS), integrated corridor management (ICM), remote traffic microwave sensor (RTMS) detection zones, and dynamic message signs (DMS).

The proposal and oral presentation provided a detailed management plan that is based on CH2M's Program Management Framework system, which standardizes delivery strategy, processes, tools and resources around a common platform. Notably, CH2M's management plan includes utilization of an internal web-based document control system.

The proposal presented a detailed quality control plan that is ISO 9001 compliant. Key elements of the plan include production quality control reviews, technical advisory reviews, and construction management staff reviews. In addition, the proposal and oral presentation addressed CH2M's risk management plan, citing a detailed three pronged approach involving research, stakeholder involvement, and documentation.

The proposal and oral presentation demonstrated that CH2M's key personnel have direct experience across a gamut of disciplines, all stages of design, management planning, and an array of project delivery methods. The availability of personnel ranges from 20% to 90%. The project manager has 37 years of experience. Other key personnel average over 28 years of experience, and task leader's average 24 of years of experience.

Parsons

Parsons is a global engineering and construction company. Parsons' proposal and oral presentation showed expertise in a broad range of disciplines, expertise in emerging technologies and grant writing, effective project management, quality control and risk management plans, and an experienced team of project personnel.

The proposal demonstrated experience in all phases of planning and design services across a wide range of disciplines. It identified projects that involved technical studies, PA/ED services, PS&E, ROW and utility services, ITS services, program management services, design-build services, and funding support.

Most significantly, the proposal identified highly relevant on-call project experience with local stakeholders. Those projects included Caltrans District 7 Design On-Call (with 27 task orders processed), Caltrans District 7 Environmental On-Call (with 18

task orders processed), SANBAG Program Project Management (with over 25 projects), and Bakersfield TRIP Program Management (with 12 projects).

The proposal and oral presentation demonstrated substantial experience in emerging technologies and alternative project delivery. The proposal provided a list of project experience in dynamic shoulder use, active traffic management, tolling, travel demand management, integrated corridor management, and ITS technologies and various strategies for implementing these emerging technologies.

The proposal presentation provided a detailed management plan for planning work, monitoring progress, identifying issues, and recommending solutions. To illustrate its management plan, the proposal included a “Project Development Phases” chart, “Design Build Program Management” diagram, and “Contract Management” chart.

The proposal outlined a detailed quality control plan, which has earned Parsons an ISO 9001:2015 certification. The proposal and oral presentations detailed Parsons’ risk management plan which includes the following six principal components: risk planning, risk identification, risk monitoring and control, risk prioritization (qualitative risk analysis), risk effect analysis (quantitative risk analysis), and risk response planning.

The proposal and oral presentation demonstrated that its key personnel have direct experience across a gamut of disciplines, all stages of design, and an array of project delivery methods. All key personnel have experience in management, planning, and design improvement projects. The availability of key personnel is at 70% or higher. The project manager has 25 years of experience.

Following is a summary of the PET evaluations scores:

	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
1	Parsons Transportation Group, Inc.				
2	Experience and Capabilities of Contractor’s Team	95.33	30.00%	28.60	
3	Management Plan and Controls	90.90	26.00%	23.63	
4	Degree of Skills and Experience of Team Members	95.83	40.00%	38.33	
5	SBE/DVBE Contacting Outreach and Mentor Protégé Approach	50.00	4.00%	2.00	
6	Total		100.00%	92.56	1
7	CH2M HILL, Inc.				
8	Experience and Capabilities of Contractor’s Team	93.89	30.00%	28.17	
9	Management Plan and Controls	93.33	26.00%	24.27	

10	Degree of Skills and Experience of Team Members	94.17	40.00%	37.67	
11	SBE/DVBE Contacting Outreach and Mentor Protégé Approach	50.00	4.00%	2.00	
12	Total		100.00%	92.11	2
13	AECOM Technical Services, Inc.				
14	Experience and Capabilities of Contractor's Team	91.44	30.00%	27.43	
15	Management Plan and Controls	90.90	26.00%	23.63	
16	Degree of Skills and Experience of Team Members	93.33	40.00%	37.33	
17	SBE/DVBE Contacting Outreach and Mentor Protégé Approach	50.00	4.00%	2.00	
18	Total		100.00%	90.39	3
19	HDR Engineering Group, Inc.				
20	Experience and Capabilities of Contractor's Team	85.89	30.00%	25.77	
21	Management Plan and Controls	89.23	26.00%	23.20	
22	Degree of Skills and Experience of Team Members	85.83	40.00%	34.33	
23	SBE/DVBE Contacting Outreach and Mentor Protégé Approach	25.00	4.00%	1.00	
24	Total		100.00%	84.30	4
25	Kimley-Horn and Associates, Inc.				
26	Experience and Capabilities of Contractor's Team	85.33	30.00%	25.60	
27	Management Plan and Controls	86.03	26.00%	22.37	
28	Degree of Skills and Experience of Team Members	85.83	40.00%	34.33	
29	SBE/DVBE Contacting Outreach and Mentor Protégé Approach	50.00	4.00%	2.00	
30	Total		100.00%	84.30	4
31	Jacobs Engineering Group, Inc.				
32	Experience and Capabilities of Contractor's Team	84.22	30.00%	25.27	
33	Management Plan and Controls	89.62	26.00%	23.30	
34	Degree of Skills and Experience of Team Members	82.50	40.00%	33.00	
35	SBE/DVBE Contacting Outreach and Mentor Protégé Approach	50.00	4.00%	2.00	
36	Total		100.00%	83.57	6
37	TranSystems Corporation				
38	Experience and Capabilities of Contractor's Team	83.89	30.00%	25.17	

39	Management Plan and Controls	85.51	26.00%	22.23	
40	Degree of Skills and Experience of Team Members	83.33	40.00%	33.33	
41	SBE/DVBE Contacting Outreach and Mentor Protégé Approach	50.00	4.00%	2.00	
42	Total		100.00%	82.73	7
43	T.Y. Lin International				
44	Experience and Capabilities of Contractor's Team	85.56	30.00%	25.67	
45	Management Plan and Controls	83.46	26.00%	21.70	
46	Degree of Skills and Experience of Team Members	80.83	40.00%	32.33	
47	SBE/DVBE Contacting Outreach and Mentor Protégé Approach	50.00	4.00%	2.00	
48	Total		100.00%	81.70	8

C. Cost Analysis

The recommended fully burdened negotiated rate structure for the labor classifications required under each contract have been determined to be fair and reasonable based upon Metro's Management and Audit Services report.

Work will be performed through the issuance of separate task orders. Proposals submitted for each task order will be subjected to cost analysis, technical analysis, fact finding, and negotiation to determine the fairness and reasonableness of price.

D. Background on Recommended Contractors

AECOM

The first recommended firm, AECOM, located in Los Angeles, has been in business for over 25 years in design and engineering. The firm possesses experience in a diverse range of complex projects. Recent complex projects include the I-710 South Corridor EIR/EIS, I-710 South Utility Study, I-10/I-110 ExpressLanes design-build project, SR-2 Terminus Improvements, and the US 101/Universal Terrace Parkway Interchange.

The proposed project manager has 32 years of experience in managing the planning, design and construction of highways, bridges and transportation related structures. The proposed project manager led the I-405 Improvements (between SR-73 and OC line), I-405/SR-22 HOV Connector, Exposition Light Rail Transit Project (Phase 1), I-10 HOV Widening, and SR-22 Design-Build Program Management.

Key personnel average over 27 years of diverse transportation project experience. Project experience include the I-710 South Corridor EIR/EIS, SR-60/SR-57

Confluence, I-5 PA/ED) I-405 to SR-55), and SR-47/Vincent Thomas Bridge & Front Street/Harbor Boulevard Interchange Reconfiguration PA/ED.

CH2M

The second recommended firm, CH2M, located in Los Angeles, has been in business for over 70 years in transportation planning, design, construction, financing, traffic, operations, and management.

The firm possesses experience in a diverse range of complex projects. Notably, CH2M has managed two separate on-call contracts for Metro and Caltrans District 7. CH2M is the current contractor under Metro's contract for Project Management and Quality Assurance/Control Support Services and the current contractor under Caltrans's contract for On-Call Design Services.

The proposed project manager has 37 years of experience in transportation management, planning, and design. The proposed project manager led the I-5 North HOV & Truck Lanes PS&E, SR 710 Soundwall Package No. 3, PS&E, SR 79 Realignment PA/ED, SR 57 Northbound Widening PS&E, and I-405/SR 55 HOV Connectors PS&E.

Key personnel average over 28 years of diverse transportation project experience. Project experience include the SR-710 Gap North Study Alternatives Analyses, Project Report Preparation, and Environmental Studies Documentation, SR-170 and I-405 Soundwalls, Package 11, Caltrans Planning, Design, and Specialty Services, and California High Speed Rail Special Study.

Parsons

The third recommended firm, Parsons, headquartered in Pasadena, has been in business for over 70 years in design, engineering, and construction.

The firm possesses experience in a wide spectrum of complex projects. Notably, Parsons has managed several on-call contracts. They include the Caltrans Design On-Call, Caltrans Environmental On-Call, SANBAG Program Project Management, and Bakersfield TRIP Program Management.

The proposed project manager has 25 years of experience. Project experience includes the I-5 HOV Lane and Widening Project, I-5 Bridge Replacement at Carmenita, and I-10/I-605 Design-Build Interchange Improvement.

Key personnel average over 29 years of experience. Project experience includes US-101 Operational Improvements (PA/ED), I-405 North Improvement Project (SR-73 to I-605), and SR-91 Corridor Improvement.

All three firms possess a significant amount of local stakeholder experience. Each firm has worked closely with Metro, Caltrans, councils of government, cities, and community groups. With their extensive experience and knowledge, AECOM, CH2M and Parsons possess the ability to complete on-call task orders issued under the RFP's Statement of Work.

DEOD SUMMARY

**HIGHWAY PROGRAM PROJECT DELIVERY SUPPORT SERVICES
AE30673000, AE30673001 & AE30673002**

A. Small Business Participation

Highway Program on-call proposers formed teams that included Small Business Enterprise (SBE) and Disabled Veteran Business Enterprise (DVBE) firms without schedules or specific dollar commitments prior to the establishment of these on-call Contracts.

The on-call Contracts have an SBE goal of 30%, inclusive of a 27% SBE and 3% DVBE goal. Overall SBE/DVBE participation for the on-call contracts will be determined based on the aggregate of all Task Orders issued.

Small Business Goal	27% SBE 3% DVBE	Small Business Commitment	27% SBE 3% DVBE
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Prime: AECOM Technical Services, Inc.

	SBE Subcontractors	% Committed
1.	Arellano Associates	TBD
2.	Civil Works Engineers	TBD
3.	Consensus	TBD
4.	GPA Consulting	TBD
5.	Guida Surveying	TBD
6.	Intueor	TBD
7.	Optitrans	TBD
8.	PacRim Engineering	TBD
9.	PQM, Inc.	TBD
10.	SHA Analytics	TBD
11.	Tatsumi & Partners	TBD
12.	V&A	TBD
13.	Value Management Strategies	TBD
14.	WKE	TBD
Total SBE Commitment		27%

	DVBE Subcontractors	% Committed
1.	Leland Saylor Associates	TBD
Total DVBE Commitment		3%

Prime: CH2M Hill

	SBE Subcontractors	% Committed
1.	ACT Consulting Engineers	TBD
2.	AP Engineering & Testing, Inc.	TBD
3.	Arellano Associates	TBD
4.	EPIC Land Solutions	TBD
5.	Geo-Advantec, Inc.	TBD
6.	Hout Construction Services	TBD
7.	Martini Drilling Corporation	TBD
8.	Minagar & Associates	TBD
9.	PacRim Engineering	TBD
10.	Rincon Consultants	TBD
11.	System Metrics Group	TBD
12.	Tatsumi & Partners, Inc.	TBD
13.	Wagner Engineering & Survey	TBD
	Total SBE Commitment	27%

	DVBE Subcontractors	% Committed
1.	Virtek Company	TBD
	Total DVBE Commitment	3%

Prime: Parsons Transportation Group, Inc.

	SBE Subcontractors	% Committed
1.	Arellano Associates	TBD
2.	Engineering Solutions	TBD
3.	EPIC Land Solutions	TBD
4.	GeoAdvantec, Inc.	TBD
5.	GPA Consulting	TBD
6.	Guida Surveying, Inc.	TBD
7.	SHA Analytics, LLC	TBD
8.	WKE	TBD
	Total SBE Commitment	27%

	DVBE Subcontractors	% Committed
1.	Global Environmental Network	TBD
2.	Ohana Vets, Inc.	TBD
3.	ZMassociates Environmental Corp.	TBD
	Total DVBE Commitment	3%

B. Contracting Outreach and Mentoring Plan

To be responsive, Proposers were required to submit a Contracting Outreach and Mentor Protégé Plan (COMP), which included its plan to mentor one SBE firm and one DVBE firm for protégé development. AECOM selected Optitrans (SBE) and Leland Saylor Associates (DVBE). CH2M Hill selected PacRim Engineering (SBE) and Virtek Company (DVBE). Parsons Transportation Group selected Guida Surveying (SBE) and ZMassociates (DVBE).

C. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

D. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.



Board Report

File #: 2016-1004, File Type: Contract

Agenda Number: 50.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE MAY 18, 2017

SUBJECT: CONSULTANT BENCH FOR RAIL VEHICLE & SYSTEMS ENGINEERING SUPPORT

ACTION: AWARD BENCH CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD Bench Contract No.PS37755 to consultant firms CH2M Hill, Inc., LTK Engineering Services, Mott McDonald, LLC, WSP/Parsons Brinkerhoff, and STV Inc., to establish a general account for consultant support services that will be utilized for **Rail Vehicle and Rail Systems Engineering Consultant Services**, for an amount not-to-exceed \$8,027,100, subject to resolution of protest, if any; and
- B. EXECUTE Task Work Orders within the approved total not-to-exceed amount of the Contract.

ISSUE

Metro requires as-needed consultant support services from qualified firms to support Metro Rail Vehicle and Systems Engineering capital and operating projects.

In April 2008, the Board authorized the award of Bench Contract No.OP39602112 in the total amount of \$20,000,000 to five (5) qualified consulting firms. These firms provided Metro with professional engineering and project management support to develop technical specifications, independent cost estimates and to provide oversight for the procurement and installation of our rail fleet systems and equipment. This bench contract expired in March 2017.

DISCUSSION

The bench Contract permits Metro to supplement internal resources by having available consulting firms with a wide range of specialized engineering, technical and program management experience and expertise.

The consulting firms that will form the vehicle bench have the demonstrated depth and breadth of technical and engineering experience and capacity to support Metro with the anticipated tasks and

projects. On an as-needed basis Statements of Work will be developed, defining the type and level of support required for specific tasks and projects. Consultants on the vehicle bench will be eligible to bid for the work that they were approved under each Disciplines. This bench Contract consists of three disciplines: A) Support services for rail vehicle acquisition, overhauls and system compatibility, B) Support services for fleet reliability, operating rail vehicles, systems, and facilities, and C) Support services for traction power, rail vehicles, systems and facilities. Work will then be assigned to the successful consultant firm through task orders.

Subject to Metro's direction, the consultant shall apply appropriate engineering, technical and program management support services and resources to facilitate the timely execution of the associated deliverables for Metro's Rail Vehicle and Systems Engineering capital and operating projects.

Potential work under this bench Contract includes, but is not limited to: Specification development and review; condition based assessments of exiting fleets; car specific failure investigations; vehicle/MOC interface failure investigations; fleet reliability studies; review and development of shop maintenance practices; conduct vendor visits and audits; verification and validation of hardware and software modifications; development and testing of prototypes; development and testing of existing train control system and train control track circuits; and assist with developing specifications and procedures for TWC replacement, signal system rehabilitation, and line emergency trip system replacement.

The Diversity & Economic Opportunity Department (DEOD) has completed its evaluation of the Proposers' commitment to meet the overall twenty percent (20%) SBE/DVBE or DBE goal established for this project. The qualified firms, CH2M Hill, Inc., LTK Engineering Services, Mott McDonald, LLC, WSP/Parsons Brinkerhoff, and STV Inc., have committed to meeting the 20% goal.

DETERMINATION OF SAFETY IMPACT

The required consultant support services will contribute to maintaining the rail system in a State of Good Repair which is essential in providing safe and reliable service for the Metro rail system riders.

FINANCIAL IMPACT

As the support services under the bench Contract are intended to support capital and operations projects that are already funded, the funds for these expenses are included in the FY17 Operating budget and Life-of-Project budget of each individual project that these consultants will be supporting. As specific Rail Vehicle and Systems Engineering services needs arise, task orders will be issued and funded from the associated project budgets, upon approval by the responsible Project Manager. \$400,000 is included in the FY17 budget in Cost Center 3043, in account 50316 - Professional Services under various projects. Since this a multi-year contract, the cost center manager and project manager will be responsible to ensure that funding is budgeted in future years.

ALTERNATIVES CONSIDERED

Staff has considered using in-house Metro resources to perform this work; however, this approach is

not recommended as Metro does not have sufficient resources and subject matter experts available to perform this work.

The Board of Directors may choose not to authorize the Contract award for this project; however, this alternative is not recommended as this Bench Contract is critical to facilitate the timely execution and associated deliverables of Metro's Rail Vehicle Acquisition, Rail Systems Engineering and Rail Vehicle Engineering capital and operating projects.

NEXT STEPS

Upon Board approval, staff will continue to competitively award individual task orders, on an as-needed basis, for engineering, technical, and program management support services.

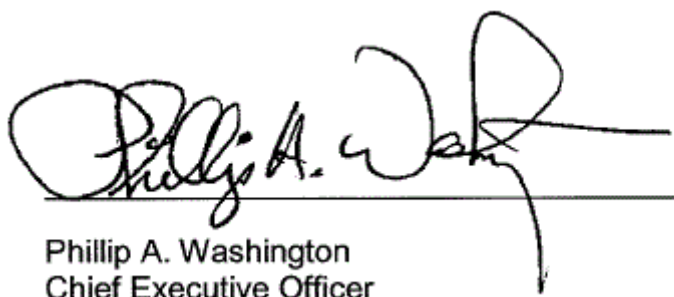
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Julio C. Rodriguez, Senior Engineer, Rail Vehicle Acquisition (213) 922-3169
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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

CONSULTANT BENCH FOR RAIL VEHICLE AND SYSTEMS ENGINEERING
SUPPORT / PS37755

1.	Contract Number: PS37755	
2.	Recommended Vendor (In alphabetical order): 1) CH2M Hill, Inc. 2) LTK Engineering Services, Inc. 3) Mott MacDonald, Inc., 4) Parsons Brinkerhoff, Inc. 5) STV, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input checked="" type="checkbox"/> RFP–Qualification Based <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: February 3, 2017	
	B. Advertised/Publicized: February 3, 2017	
	C. Pre-Proposal Conference: February 15, 2017	
	D. Proposals Due: March 6, 2017	
	E. Pre-Qualification Completed: In process	
	F. Conflict of Interest Form Submitted to Ethics: March 9, 2017	
	G. Protest Period End Date: April 21, 2017	
5.	Solicitations Picked up/Downloaded: 64	Proposals Received: 5
6.	Contract Administrator: Nicole Dang	Telephone Number: 213-922-7438
7.	Project Manager: Julio Rodriguez	Telephone Number: 213-922-3169

A. Procurement Background

This Board Action is to approve Contract No. PS37755 issued to establish a bench contract with qualified firms to support Metro Rail Vehicle Acquisition Department. This bench Contract contains three disciplines which are A) Support services for rail vehicle acquisition, overhauls and system compatibility, B) Support services for fleet reliability, operating rail vehicles, systems, and facilities, and C) Support services for traction power, rail vehicles, systems and facilities. Board approval of contract awards are subject to resolution of any properly submitted protest.

The RFP was issued in accordance with Metro's Acquisition Policy for a qualification based non-Architect & Engineering procurement and the contract type is a cost plus fixed fee.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on February 17, 2017, revised Exhibit A entitled "Statement of Qualifications".
- Amendment No. 2, issued on February 22, 2017, revised Section 3 of the RFP document entitled "Submittal Requirements".

The pre-proposal conference was held on February 15, 2017 and 16 firms attended this meeting. A total of 13 questions were received and responded to by March 1, 2017. A total of five proposals were received on March 6, 2017.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro Vehicle Acquisition department and Metro Service Warranty and Quality Assurance department was convened and conducted a comprehensive technical evaluation of the five proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- Prime Firm Qualification 40% percent
- Project Manager and Experience 50% percent
- Availability/Effective Schedule/ Cost Management Plan 10% percent

The evaluation criteria are appropriate and consistent with criteria developed for other, similar professional services bench procurements. Several factors were considered when developing these weights, giving the greatest importance to the project manager and experience. This is a qualification based bench contract; therefore, firms that scored over 59 percent and met the minimum qualifications were considered qualified. Price was not an evaluation factor for establishing the qualified firms for this Bench. However, price shall be an evaluation factor for all task order solicitations and awards. All task orders will be awarded on a competitive basis.

All five proposals received were determined to be within the competitive range. The five firms within the competitive range are listed below in alphabetical order:

1. CH2M Hill, Inc.
2. LTK Engineering Services, Inc.
3. Mott MacDonald, Inc.
4. Parsons Brinckerhoff, Inc.
5. STV, Inc.

The PET met during the month of March 2017 to review the five proposals received. During the week of March 6-24, 2017, Requests for Clarification were issued to CH2M Hill, Inc., LTK Engineering Services, Inc., Mott MacDonald, Inc., Parsons Brinckerhoff, Inc. and STV, Inc. The clarification requests were mainly for additional documentation of resumes. The responses received were satisfactory. All five firms submitted proposals for disciplines A, B, and C, and all five firms were approved and qualified for all three disciplines (A, B, & C).

This professional services bench Contract is anticipated to have a cumulative total of \$8,027,100 in task orders for the three disciplines combined over the six year term of the contracts. Individual task orders will be competed between the 5 firms on the bench and awarded competitively through a Request for Proposal (RFP).

Qualifications Summary of Firms within the Competitive Range:

CH2M Hill, Inc. (Disciplines A, B, C)

CH2M Hill, Inc. (CH2M) was founded in 1942 and is headquartered in Englewood, CO. CH2M has a local office in Los Angeles, CA. CH2M has 20,000 employees, including 600 transit staff that specializes in consulting, design, construction, and operation services. CH2M provided consultant support services to Metro A650 HRV Overhaul and P2000 LRV Mid Life Overhaul. CH2M is among the firms in Metro's current rail vehicle consultant support bench. CH2M has provided satisfactory rail vehicle and systems engineering services to Metro's staff.

LTK Engineering Services, Inc. (Disciplines A, B, C)

LTK Engineering Services, Inc. (LTK) was founded in 1921 and is headquartered in Ambler, Pennsylvania. LTK has a local office in Los Angeles, CA. LTK specializes in rail system engineering, maintenance facilities, signals and communications, traction electrification and fare collection. LTK clients include local, regional, state and federal public agencies, domestic and foreign operating commuter rail, rapid transit, light rail, railroads, and People Mover systems. LTK has served as Metro's vehicle engineer for the procurement of the Red Line Option cars, Metro's consultant support services for the P3010 Light Rail Vehicles. LTK is among the firms in Metro's current rail vehicle consultant support bench. LTK has provided satisfactory rail vehicle and systems engineering services to Metro's staff.

Mott MacDonald, Inc. (Disciplines A, B, C)

Mott MacDonald provides design and management of rail and transit projects and is headquartered in Los Angeles, CA. Mott MacDonald has 16,000 staff worldwide and 2,300 staff in North America in 60 offices. Mott MacDonald specializes in engineering, management, and development consultancy working in 150 countries. Mott MacDonald clients include municipals such as LA Metro, Bay Area Rapid Transit, California High Speed Rail Authority, Orange County Transportation Authority, North County Transit District (NCTD), San Bernardino County Transportation Authority (SBCTA), and Santa Clara Valley Transportation Authority. This will be Mott MacDonald's first opportunity to provide rail vehicle and systems engineering services. Mott MacDonald has provided other satisfactory services to Metro.

WSP/Parsons Brinckerhoff, Inc. (Disciplines A, B, C)

WSP/ Parsons Brinckerhoff, Inc. (PB) was founded in 1885 and has a local office in Los Angeles, CA. PB has over 36,700 employees located in more than 500 offices reaching across 40 countries worldwide. PB Transit and Rail System Technical Excellence Center (TEC) maintains more than 260 engineers and technical specialists dedicated to railroad systems which includes rolling stock, signals, train controls, communications, traction power, overhead catenary systems, fare collection, operations planning, safety and security, track and rail intermodal facilities. PB through a joint venture developed the performance based technical specification for Metro HR4000 Heavy Rail Vehicle procurement. PB is among the firms in Metro's current rail vehicle consultant support bench. PB has provided satisfactory rail vehicle and systems engineering services to Metro.

STV, Inc. (Disciplines A, B, C)

STV, Inc. (STV) has been in business for 100 years and has a local office in Los Angeles, CA. STV has incorporated a Vehicle Technology and Operations group into their organization which offers consulting support in rail vehicle specification development and procurement, rail vehicle condition assessment, rail vehicle overhaul specification development and support, inspection and quality control support, and failure analysis. STV through a joint venture developed the performance based technical specification for Metro HR4000 Heavy Rail Vehicle procurement. STV has provided rail engineering support to municipalities such as Massachusetts Bay Transportation Authority (MBTA), Maryland MTA, City of Ottawa Confederation and LA Metro. STV has provided satisfactory rail vehicle and systems engineering services to Metro.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Mott MacDonald, Inc.				1
3	Prime Firm Qualification	8.83	40.00%	35.32%	
4	Project Management and Experience	8.70	50.00%	43.50%	
5	Availability/Effective Schedule/Cost Management Plan	9.33	10.00%	9.33%	
	Total		100.00%	88.15%	
8	STV, Inc.				2
9	Prime Firm Qualification	8.88	40.00%	35.52%	
10	Project Management and Experience	8.33	50.00%	41.65%	
11	Availability/Effective Schedule/Cost Management Plan	9.03	10.00%	9.03%	
12	Total		100.00%	86.20%	
13	LTK Engineering, Inc.				3
14	Prime Firm Qualification	8.75	40.00%	35.00%	
15	Project Management and Experience	8.43	50.00%	42.15%	
16	Availability/Effective Schedule/Cost Management Plan	8.93	10.00%	8.93%	
17	Total		100.00%	86.08%	
18	Parsons Brinckerhoff, Inc.				4
19	Prime Firm Qualification	8.58	40.00%	34.32%	
20	Project Management and Experience	7.93	50.00%	39.65%	
21	Availability/Effective Schedule/Cost Management Plan	8.53	10.00%	8.53%	
22	Total		100.00%	82.50%	
23	CH2M Hill, Inc.				5
24	Prime Firm Qualification	8.20	40.00%	32.80%	
25	Project Management and Experience	7.87	50.00%	39.35%	
	Availability/Effective Schedule/Cost Management Plan	8.23	10.00%	8.23%	
	Total		100.00%	80.38%	

C. Cost/Price Analysis

This section is not applicable to the qualification approval of a bench Contract. However, task orders relating to this bench Contract will be awarded on a competitive

basis to the firms that provide Metro with the most advantageous proposal where price is a material factor. Individual task order awards shall include, cost/price analysis, technical evaluation, independent cost estimates, and as appropriate, audits will be performed for each Task Order.

CONSULTANT BENCH FOR RAIL VEHICLE AND SYSTEMS ENGINEERING SUPPORT / PS37755

A. Small Business Participation

Rail Vehicle and Rail Systems Engineering Consultant Support Services Bench Proposers formed teams that included Disadvantaged Business Enterprise (DBE), Small Business Enterprise (SBE) and Disabled Veteran Business Enterprise (DVBE) firms without schedules or specific dollar commitments prior to the establishment of the bench Contract.

The Bench Contract has a DBE goal of 20% for task orders awarded with federal funds. In addition, the bench Contract has a SBE goal of 20%, inclusive of 17% SBE/3% DVBE, for task orders awarded with non-federal funds. Overall DBE, SBE, and DVBE participation for the bench will be determined based on the total aggregate of all Task Orders issued dependent upon funding source.

Small Business Goal	20% DBE & 17% SBE 3% DVBE	Small Business Commitment	20% DBE & 17% SBE 3% DVBE
----------------------------	----------------------------------------------	----------------------------------	----------------------------------------------

Prime: Mott MacDonald LLC

	DBE Subcontractors	Ethnicity	% Committed
1.	Electrical Building Systems, Inc.	Hispanic American	TBD
2.	LKG-CMC	Caucasian Female	TBD
3.	NBA Engineering	Caucasian Female	TBD
4.	Pacific Railway Enterprises	Caucasian Female	TBD
5.	Raul Bravo + Associates	Hispanic American	TBD
6.	Virginkar and Associates	Subcontinent Asian American	TBD
Total DBE Commitment			20%

	SBE Subcontractors	% Committed
1.	LKG-CMC	TBD
2.	NBA Engineering	TBD
3.	Pacific Railway Enterprises	TBD
4.	Raul Bravo + Associates	TBD
5.	Virginkar and Associates	TBD
Total SBE Commitment		17%

	DVBE Subcontractors	% Committed
1.	PSM Associates	TBD
Total DVBE Commitment		3%

Prime: CH2M Hill

	DBE Subcontractors	Ethnicity	% Committed
1.	Parthenon Corporation	Hispanic American	TBD
2.	LKG-CMC	Caucasian Female	TBD
3.	Virginkar and Associates	Subcontinent Asian American	TBD
4.	Capitol Gov't Contract Specialists	Hispanic American	TBD
5.	E.W. Moon Inc.	African American	TBD
6.	Civil Earth Engineering	Asian Pacific American	TBD
Total DBE Commitment			20%

	SBE Subcontractors	% Committed
1.	Parthenon Corporation	TBD
2.	LKG-CMC	TBD
3.	Virginkar and Associates	TBD
4.	Turner Engineering Corporation	TBD
5.	Capitol Gov't Contract Specialists	TBD
6.	E.W. Moon Inc.	TBD
7.	Civil Earth Engineering	TBD
Total SBE Commitment		17%

	DVBE Subcontractors	% Committed
1.	Capitol Gov't Contract Specialists	TBD
Total DVBE Commitment		3%

Prime: Parsons Brinckerhoff

	DBE Subcontractors	Ethnicity	% Committed
1.	Capitol Gov't Contract Specialists	Hispanic American	TBD
2.	Casamar Group	Hispanic American	TBD
3.	Information Design Consultants	African American	TBD
4.	LKG-CMC, Inc.	Caucasian Female	TBD
5.	Pacific Railways Enterprises	Caucasian Female	TBD
6.	Systems Consulting LLC	African American	TBD
7.	Virginkar & Associates Inc.	Caucasian Female	TBD
8.	VP Engineering	Subcontinent Asian American	TBD
Total DBE Commitment			20%

Prime: Parsons Brinckerhoff (cont.)

	SBE Subcontractors	% Committed
1.	Capitol Gov't Contract Specialists	TBD
2.	Casamar Group	TBD
3.	Information Design Consultants	TBD
4.	LKG-CMC, Inc.	TBD
5.	Pacific Railways Enterprises	TBD
6.	Systems Consulting LLC	TBD
7.	Turner Engineering Corporation	TBD
8.	Virginkar & Associates Inc.	TBD
9.	VP Engineering	TBD
Total SBE Commitment		17%

	DVBE Subcontractors	% Committed
1.	Capitol Gov't Contract Specialists	TBD
Total DVBE Commitment		3%

Prime: LTK Engineering

	DBE Subcontractors	Ethnicity	% Committed
1.	Capitol Gov't Contract Specialists	Hispanic American	TBD
2.	DAV-LEAR Systems, Inc.	African American	TBD
3.	Ramos Consulting Services	Hispanic American	TBD
4.	Virginkar & Associates	Subcontinent Asian American	TBD
Total DBE Commitment			20%

	SBE Subcontractors	% Committed
1.	Capitol Gov't Contract Specialists	TBD
2.	DAV-LEAR Systems, Inc.	TBD
3.	Ramos Consulting Services	TBD
4.	Turner Engineering Inc.	TBD
5.	Virginkar & Associates	TBD
Total SBE Commitment		17%

	DVBE Subcontractors	% Committed
1.	DAV-LEAR Systems, Inc.	TBD
Total DVBE Commitment		3%

Prime: STV Incorporated

	DBE Subcontractors	Ethnicity	% Committed
1.	Capitol Gov't Contract Specialists	Hispanic American	TBD
2.	Casamar Group	Hispanic American	TBD
3.	dHA + CALPEC	Sub-Continent Asian American	TBD
4.	ERJ Engineering Consultants	Sub-Continent Asian American	TBD
5.	E.W. Moon, Inc.	African American	TBD
6.	LKG-CMC, Inc.	Caucasian Female	TBD
7.	Virginkar & Associates	Sub-Continent Asian American	TBD
8.	VP Engineering	Sub-Continent Asian American	TBD
Total DBE Commitment			20%

	SBE Subcontractors	% Committed
1.	Capitol Gov't Contract Specialists	TBD
2.	Casamar Group	TBD
3.	dHA + CALPEC	TBD
4.	ERJ Engineering Consultants	TBD
5.	E.W. Moon, Inc.	TBD
6.	LKG-CMC, Inc.	TBD
7.	Virginkar & Associates	TBD
8.	VP Engineering	TBD
Total SBE Commitment		17%

	DVBE Subcontractors	% Committed
1.	Capitol Gov't Contract Specialists	TBD
Total DVBE Commitment		3%

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this Contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.

**Board Report**

File #: 2017-0132, **File Type:** Contract**Agenda Number:** 51.

REVISED
REGULAR BOARD MEETING
JUNE 22, 2017

SUBJECT: METRO BLUE LINE SIGNALING REHABILITATION AND OPERATIONAL IMPROVEMENTS PROJECT

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the CEO to award Contract No. C1081 to Mass Electric Construction Co/Parsons, the selected best value contractor to design and construct the **Blue Line State of Good Repair signaling rehabilitation and operational improvements** for a contract value of \$81,513,000.

ISSUE

The existing MBL light rail transit system is over 25 years old. Signaling and Overhead Catenary Systems (OCS) are in need of rehabilitation as they are essential subsystems for safe and effective light rail operations. Currently, the MBL is operating with a limited number of interlockings, which are trackwork and signaling components that allow trains to cross from one track to another during planned maintenance or in the event that there is a disabled train. With the existing six interlockings between Washington Station and Willow Station, some segments of the MBL are limited to 30 - 40 minute headways during emergency situations. The addition of four new interlockings is expected to improve single tracking headways to approximately 15 - 20 minutes and allow a better overall emergency operation response.

Finally, the MBL Division 11 Yard is operating with an obsolete signal system that is very limited and relies on manual control. The Yard signal system portion of this project will update the signaling of Division 11 and provide a more efficient and safe yard operation.

BACKGROUND

As a State-of-Good-Repair project, Metro Blue Line Signaling Rehabilitation and Operational Improvements (Signal/Interlocking/OCS) Project will:

1. Replace all vital relays
2. Install four additional interlockings and one siding at 95th Street
3. Install the associated Solid State Interlockings (SSI) and the associated communications

equipment

4. Install new frequency converters for the train detection sub-system
5. Redesign the switch between the two redundant power supplies in the Signaling bungalows to address recurring loss of signal power issues
6. Replace code transmitter relays for the speed control sub-system
7. Replace the OCS in the Long Beach loop and Downtown Los Angeles
8. Upgrade the Signal system in the Division 11 yard

These activities will improve single tracking capability that take place during planned maintenance or unplanned incidents. In addition, the additional siding track near 95th Street will provide train storage for more operational flexibility.

The OCS contact wires operating in sections in downtown Los Angeles and Long Beach have experienced significant wear over time, resulting in an increasing probability of a wire failure and service disruptions. Replacing and re-tensioning these wires will provide a more reliable and safer operation. The OCS in the 7th Street/Metro Center tunnel is also approaching the end of its useful life. The replacement of the existing wire system with new Overhead Contact Rail (OCR) system will reduce future maintenance needs and will support the Regional Connector tunnel OCR which is currently under construction.

The new train control system in the Division 11 Yard will provide efficient and safe yard operations for Metro staff. The control tower will have the ability to route trains remotely and monitor MBL operation more easily.

DISCUSSION

Scope and Use of Advanced Technologies

1. This scope enables the use of advanced technologies. For example Solid State Interlocking (SSI) technologies for the control of the interlockings will be used instead of relays. Solid state electronic equipment is much more reliable due to the use of electronic circuits and components. SSI technologies have a much lower failure rate than relays and a longer life, which improves system reliability and is more cost effective in the long term. Finally the use of SSI technologies will align the MBL with the Expo line or the Regional Connector project in terms of technologies between projects to improve the overall efficiency and effectiveness of maintenance.
2. Due to the use of more advanced technologies for the interlockings, one of the crossovers added to the project requires a new bungalow to house the new train control and communication

equipment. The existing Metro Right-of-Way is not adequate to add a new bungalow; the project is proposing to purchase a small property adjacent to the MBL tracks.

3. The scope of the project also addresses reliability. The existing MBL Signaling bungalows currently house 3,500 vital relays. These relays are 25 years old and approaching the end of their useful life. Therefore, the replacement of all 3,500 vital relays is included in the scope of this project to improve reliability.
4. The project is also replacing the code generators of the existing signal system. The existing code generators required urgent replacement. The cost of procurement and installation for the complete code generator replacement is included in the scope of this project.
5. Finally in order to minimize the disruptions of Operations during the construction of the project on the Blue Line, it is critical to have Metro Inspectors and Flagmen support the construction of the project. Not only is this a new CPUC regulation, but it is also a direct experience from the success of the MBL stations enhancements project. Metro Inspectors and Flagmen are needed to grant contractors access to Metro equipment rooms and equipment and tracks, including the Signaling bungalows. They also assist with shutting down the traction power when appropriate, and authorizing and inspecting all contractor activities to ensure the safety of our system.

FINANCIAL IMPACT

The amount of this contract action is \$81,513,000. Funding for the FY 18 effort and ~~approval for an \$118,900,000 Life of Project budget are included in the proposed~~ were approved by the 2017 May Board item 30 FY18 budget board report ~~scheduled for consideration at the May Finance and Budget and regular board meeting.~~

It is proposed that since this is a multi-year project, the Project Manager, Cost Center Manager, and Chief Officer of Program Management will ensure that costs will be budgeted in future years.

Impact to Budget

The source of funds for this procurement will come from Prop A 35%, TDA Article 4, Measure M 2% and California Cap and Trade Transit and Intercity Rail Capital Program (TIRCP) grant funding.

ALTERNATIVES CONSIDERED

The Board may choose not to award this contract. This alternative is not recommended because rejecting this project would have the MBL continue to operate on the aging signaling and catenary system equipment as well as the difficulties of providing adequate service during single tracking for routine maintenance and in the event of an incident. The aging MBL systems will

require additional maintenance and still suffer more breakdowns, which would lead to less reliable operations.

NEXT STEPS

Upon approval of the contract award, staff will work with Vendor/Contract Management to issue a Notice to Proceed for Contract C1081 MBL Signaling Rehabilitation and Operational. It is anticipated that the project will be completed within 36 months from issuance of the Notice to Proceed.

ATTACHMENTS

Attachment A - Sources and Uses Table

Attachment B - Procurement Summary

Attachment C - DEOD Summary

Prepared by:

James Wei, Director Engineering, (213) 922-7528

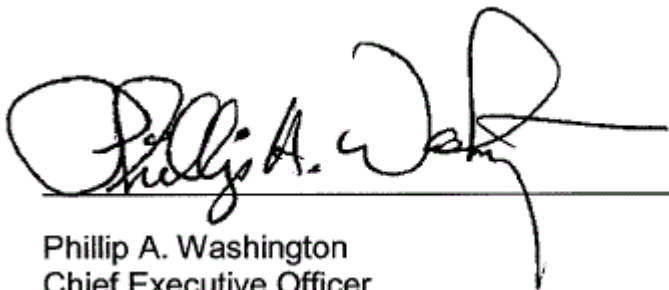
Samuel Mayman, Executive Officer, Engineering, (213) 922-7289

Reviewed by:

James T. Gallagher, Chief Operations Officer (213) 418-3108

Debra Avila, Chief Vendor/Contract Management Officer (213) 418-3051

Richard Clarke, Chief Program Management Officer (213) 922-7557



Phillip A. Washington
Chief Executive Officer

Sources and Use Table

Construction	FY 18	FY 19	FY 20	Total
Construction Contract Bid (C1081)	\$ 16,302,600	\$ 32,605,200	\$ 32,605,200	\$ 81,513,000
Construction Cost	\$ 16,302,600	\$ 32,605,200	\$ 32,605,200	\$ 81,513,000

Sources and Uses	FY 18	FY 19	FY 20	Funding
California Cap and Trade (TIRCP)	\$ 16,302,600	\$ 22,191,400	\$ -	\$ 38,494,000
Additional Funding (Prop A 35% TDA Article 4, and Measure M 2%)		\$ 10,413,800	\$ 32,605,200	\$ 43,019,000
Total Funding	\$ 16,302,600	\$ 32,605,200	\$ 32,605,200	\$ 81,513,000

PROCUREMENT SUMMARY

**METRO BLUE LINE SIGNAL SYSTEM REHABILITATION PROJECT-
DESIGN/BUILD / CONTRACT NUMBER C1081**

1.	Contract Number: C1081	
2.	Recommended Vendor: Mass Electric Construction Co.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: 3/21/16	
	B. Advertised/Publicized: 3/11/16	
	C. Pre-Proposal Conference: 4/11/16	
	D. Proposals Due: 2/21/17	
	E. Pre-Qualification Completed: 10/27/16	
	F. Conflict of Interest Form Submitted to Ethics: 11/15/16	
	G. Protest Period End Date: 4/24/17 5/24/17	
5.	Solicitations Picked up: 50	Bids/Proposals Received: 2
6.	Contract Administrator: Rafael Vasquez	Telephone Number: (213) 418-3036
7.	Project Manager: James Wei	Telephone Number: (213) 922-2758

A. Procurement Background

This Board Action is to approve the award of a design/build “Best Value” procurement issued in support of the Metro Blue Line Signal System Rehabilitation Project. Contract No. C1081 will provide management, coordination, professional services, labor, equipment, materials and all other services necessary to perform the final design and construction of the Metro Blue Line Signal System Rehabilitation. Board approval of contract awards are subject to resolution of any properly submitted protest(s).

The Work includes the addition of four new interlockings, one siding track, installation of new Overhead Catenary System (OCS), replacements of existing OCS contact wire, modifications to existing mainline Automatic Train Control System, and modifications to the train control system in the MBL Yard (Division 11). The Contract type is a firm fixed price.

A Request for Qualifications (RFQ)/Request for Proposals (RFP) was issued on March 21, 2016. A pre-proposal conference was held on April 11, 2016, in the Board Room with representatives of approximately 11 firms in attendance.

The RFQ/RFP implemented a two-step negotiated procurement in accordance with California Public Contract Code §22160-22169 and in accordance with Metro’s Acquisition Policy. The first phase of the procurement was a request for Statement of Qualifications (SOQ). A prequalification evaluation team evaluated the SOQs. Three responsive SOQs were received on June 17, 2016.

The three firms that met the RFQ requirements, were designated as prequalified parties, and were invited to submit proposals in response to the second RFP phase of the solicitation.

- Mass Electric Construction Company
- Balfour Beatty Infrastructure Inc.
- C3M/Clark, a Joint Venture

The prequalified firms submitted technical and commercial questions which were recorded and reviewed by Metro staff. Formal written answers to 557 questions were provided to the prequalified firms and other planholders.

Twenty one amendments were issued during the solicitation and evaluation process:

- Amendment No. 1, issued on March 24, 2016, changed Pre-Proposal Conference Room location, added a technical/outreach meeting, and revised Scope of Work;
- Amendment No. 2, issued on March 28, 2016, provided missing Project Definition Documents references such as Metro's Rail Design Criteria Drawings, Rail Directive Drawings, Rail Standard Drawings, Signage Standards, and Wayside Signage Directive Drawings;
- Amendment No. 3, issued on April 1, 2016, extended the SOQs due date to May 5, 2016 and extended the Proposal due date to July 7, 2016;
- Amendment No. 4, issued on April 5, 2016, clarified contract language, including revisions to Contract Payment Provisions to Subcontractors;
- Amendment No. 5, issued April 20, 2016, extended the SOQ due date to May 19, 2016, extended the Proposal due date to July 21, 2016, and clarified contract language, including revisions to General Conditions GC-51;
- Amendment No. 6, issued on April 27, 2016, extended the SOQs due date to June 2, 2016, extended the Proposal due date to August 18, 2016, and revised Instructions to Proposers, Supplemental Instructions to Proposers and Submittal Requirements;
- Amendment No. 7, issued on May 5, 2016, provided Metro Blue Line As-builts reference documents information;
- Amendment No. 8, issued on May 18, extended the SOQ due date to June 9, 2016, extended the Proposal due date to August 25, 2016, and clarified contract language, by adding CP-5A Voluntary Payment to Subcontractors Initiative provision and revising the Scope of Work;
- Amendment No. 9, issued on June 3, 2016, extended the SOQs to June 17, 2016, revised Contract Administrator contact information and clarified contract language, including revisions to Non-Disclosure Agreement and Special Provisions Alternate Proposals;
- Amendment No. 10, issued on June 3, 2016, clarified Contract Administrator phone number;
- Amendment No. 11, issued on June 13, 2016, clarified the SOQs due date;

- Amendment No. 12, issued on June 22, 2016, extended the Proposal due date to September 15, 2016, clarified contract language, including revisions to the Schedule of Quantities and Prices, the qualifications and functions of key personnel, and the Scope of Work;
- Amendment No. 13, issued on July 19, 2016, clarified Proposal Documents and revised Qualifications of Key Personnel and Functions;
- Amendment No. 14, issued August 12, 2016, extended Proposal due date to September 29, 2016, revised Contract Administrator contact information, clarified contract language and revised the Scope of Work;
- Amendment No. 15, issued August 29, 2016, extended Proposal due date to October 13, 2016, revised submittal requirements, revised Schedule of Quantities and Prices form, added SP-32 Limitation of Liability Arising from Contractor's Performance, added Dispute Resolution provisions, and clarified Contract language;
- Amendment No. 16, issued September 23, 2016, clarified evaluation criteria, and revised Submittal Requirements, Schedule of Quantities and Prices Forms, and the Scope of Work;
- Amendment No. 17, issued September 28, 2016, extended the Proposals due date to October 20, 2016, and revised Regulatory Requirements and Federal Certificates such as Buy America, Compliance with Federal Lobbying Requirements, and revised Schedule of Quantities and Prices forms;
- Amendment No. 18, issued October 4, 2016, clarified the Schedule of Quantities and Prices forms;
- Amendment No. 19, issued October 7, 2016, removed Federal Requirement Certificates such as Compliance with 49 CFR part 655 , Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations, and Certificate of Debarment, Suspension and Other Responsibility Matters;
- Amendment No. 20, issued on December 29, 2016, requested from both Proposers a Revised Proposal with a due date of February 7, 2017. The amendment deleted Washington Siding and Del Amo Scope of Work, revised Schedule of Quantities and Prices Forms and reduced SBE goal requirements;
- Amendment No. 21, issued on January 11, 2017, extended the Proposals due date to February 21, 2017, revised Schedule of Quantities and Prices forms and requested validity period of the revised Proposals.

Initial proposals were received on October 20, 2016 from the following firms:

1. Balfour Beatty Infrastructure, Inc.
2. Mass. Electric Construction Co.

Only two of the three pre-qualified firms submitted proposals. C3M/Clark Joint Venture did not submit a proposal because, among some of their reasons cited, there were unfavorable contract terms and conditions to the Contractor, expensive insurance coverage requirements for subcontractor and many unknown risks associated with the construction.

Mass. Electric Construction Co. submitted an alternative proposal in addition to a base proposal.
Final revised proposals were received on February 21, 2017, from both Proposers.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro Rail Operations, Metro Facilities Engineering Operations, and Systems Engineering conducted a comprehensive and robust evaluation of the proposals received.

The PET performed a detailed evaluation of the proposals in accordance with the factors and sub-factors set forth in the RFP to assign a score and ranking. The evaluation considered all technical and price factors defined in the RFP and Source Selection Plan.

The proposals were evaluated based on the following evaluation criteria and weights:

- | | |
|---------------------------------------------------------|------------|
| • Project Management | 40 percent |
| • Technical Approach | 30 percent |
| • Price | 30 percent |
| • A Prompt Payment to Subcontractors Initiative (Bonus) | 5 percent |

The Proposers could opt for prompt payment initiative, noted above, that requires the prime Contractor to pay its first tier subcontractors for work completed prior to submitting its monthly billing to Metro. This triggers the cascading of earlier payments where each subcontractor must make payment to their subcontractors of undisputed amounts within seven days of having received payment. In return, Metro provides terms of Net 21 days payment of undisputed amounts to the Contractor.

Each Proposer received written Requests for Clarification regarding topics such as construction schedule, cutover and staging plans.

Each proposing team was invited to make an oral presentation to the PET for the purpose of clarifying their proposal and demonstrating their understanding of Metro's requirements, thus allowing the PET to refine technical scoring. The presentation meeting format, the amount of time allowed, and general questions asked were standardized.

Following a review of the initial proposals and oral presentations both proposals were determined to be within the competitive range and the PET and the Director of Contract Administration of Construction held discussions with each Proposer between November 28, 2016, and December 1, 2016, to address potential deficiencies, understand concerns about risk, and review assumptions taken in relation to their price proposal.

Discussions confirmed each Proposer's understanding of the scope and appropriate approaches and plans to complete the scope of work. After concluding discussions with the Proposers, Metro issued amendments Nos. 20 and 21. Amendment No. 20 deleted major scope of work for the Washington Siding and related facilities, and Division 11 Yard Train Control System was removed from the Option Schedule and included in the Base Work. This major change in scope of work required Metro to request both Proposers to submit revised Proposals. Amendment No. 21 extended the proposals due date to February 21, 2017, and provided revised Schedule of Quantities and Prices forms.

Mass Electric Construction Co. elected not to submit a Revised Alternative Proposal. Both Proposers elected to participate in the Voluntary Payment to Subcontractor Initiative per the RFP requirements.

Qualifications Summary of Firms within the Competitive Range

Mass Electric Construction Co. (MEC)

Mass Electric Construction Co. is the design-builder and general contractor, Parsons Transportation Group is the principal engineer and Architect of Record. MEC has based its operations in Los Angeles since 1987. MEC is the installer of the original Blue Line Signal System. Other projects for Metro include the Green Line, Red Line, Gold Line, both Expo Line Extensions, Metro Gold Line Foothill Extension Phase 2A, MBL Pedestrian and Swing Gates, and the Regional Connector.

Parsons is headquartered in Pasadena, CA and is a full-service engineering firm providing services and contract deliveries to transportation agencies and railroads for more than 80 years including Metro. Parsons has been consistently ranked in the top 10 transportation design firms by ENR in the past nine years. MEC and Parsons have worked together on 15 projects.

Balfour Beatty Infrastructure, Inc.(BB)

BB is the Design-Build contractor. WSP/Parsons Brinckerhoff is the lead designer and principal engineer, Wabtec Integrated Systems, Inc. is the train control, communications, signal supplier.

WSP/PB is the largest provider of fixed rail infrastructure globally. BB provides construction and maintenance services for numerous rails projects involving grade crossings, signals, and communications systems. BB's work for Metro includes the Gold Line Eastside Extension - trackwork, and OCS Expo Line Phase 1 LRT Design-Build trackwork, and dual mainline track.

WSP/PB for the past 35 years has supported LACTMA in the planning, designing, and constructing of its rail system. WSP/PB has provided planning, engineering, and/or program management services including the Pasadena Gold Line LRT, Gold

Line Eastside Extension LRT, Westside Extension Subway, Regional Connector LRT and Exposition Line.

Wabtec has extensive engineering experience and specializes in performing systems, signals, crossings and communications engineering services.

Evaluation Outcome

Based on a thorough evaluation of the proposals, as performed and determined by the Proposal Evaluation Team, the Mass Electric Construction Co. proposal offers the “Best Value” and is the most advantageous to Metro.

Mass Electric Construction Co. demonstrated strengths in factors and sub-factors under Project Management and Technical Approach of Proposer’s capabilities, skill and experience, management approach, risk management, cutover and staging plan. MEC was the original installer of the original Metro Blue Line Signal System which is both a benefit to Metro, as well as a fair competitive advantage for MEC.

MEC provided a thorough and detailed cutover plan for connecting the project to the existing rail system. In addition, MEC developed a set of preliminary plan at 35% design level which is a benefit to Metro and reflects upon MEC in their thorough knowledge of the project, numerous studies performed and construction approach.

The final scores and ranking of the proposals is summarized in the table below.

Final Evaluation Scoring

1	Firm	Average Score	Factor Weight	Weighted Avg. Score	Rank
2	Mass Electric Construction Co.				
3	Project Management	89.25	40.00%	35.70	
4	Technical Approach	88.60	30.00%	26.58	
5	Price	100.00	30.00%	30.00	
6	Voluntary Payment to Subcontractors Initiative*	100.00	5.00%	5.00	
7	Total		105.00%	97.28	1
8	Balfour Beatty Infrastructure, Inc.				
9	Project Management	89.63	40.00%	35.85	
10	Technical Approach	87.37	30.00%	26.21	
11	Price	36.63	30.00%	10.99	
12	Voluntary Payment to Subcontractors Initiative*	100.00	5.00%	5.00	
13	Total		105.00%	78.05	2

All Scores rounded to the second decimal.

*Proposers received full credit.

C. Cost/Price Analysis

A line by line proposal pricing evaluation was performed, with certain line items of each proposal being identified as of interest. The line items of interests were the same for each Proposer. The respective line items were addressed during the commercial and technical discussions with Proposers.

The price of the recommended award is determined to be fair and reasonable based on adequate price competition and comparison to the independent cost estimate which was submitted concurrently with the proposals.

	Proposer Name	Total Price Proposal ¹	Metro ICE ²	Award Price ³
1.	Mass Electric Construction Co.	\$84,856,283	\$74,152,855	\$81,513,000
2.	Balfour Beatty Infrastructure, Inc.	\$237,603,811		\$212,630,000

Note¹: The Total Price Proposal includes the Base Work, Provisional Sums, Delay Compensation, Life Cycle Costs, and Unit Prices.

Note²: The Independent Cost Estimate (ICE) amounts are submitted before the due date and opened concurrently with the other Proposals.

Note³: The Award Price only includes Base Work and Provisional Sums.

D. Background on Recommended Contractor

Mass Electric Construction Co. team includes Parsons Transportation Group, Inc. and B & C Transit, Inc. MEC has based operations in Los Angeles since 1987. MEC was the installer of the original Blue Line Signal System. Other projects for Metro include Green Line, Red Line, Gold Line, both Expo Line Extensions, Metro Gold Line Foothill Extension Phase 2A, MBL Pedestrian and Swing Gates, and the Regional Connector.

Parsons is headquartered in Pasadena, CA and is a full-service engineering firm providing services and contract deliveries to transportation agencies and railroads for more than 80 years including Metro. Parsons has been consistently ranked in the top 10 transportation design firms by ENR in the past nine years. MEC and Parsons have worked together in 15 projects.

B & C has completed the Foothill Extension Phase 2A and Expo Phase 2 projects and is currently contracted to MEC on the Regional Connector.

DEOD SUMMARY

**METRO BLUE LINE SIGNAL SYSTEM REHABILITATION PROJECT –
DESIGN/BUILD / C1081**

A. (1) Small Business Participation - Design

The Diversity and Economic Opportunity Department (DEOD) established a 15% goal, inclusive of a 12% Small Business Enterprise (SBE) goal and 3% Disabled Veteran Business Enterprise (DVBE) goal for Design. Mass. Electric Construction made a 12% SBE and 3% DVBE commitment.

Small Business Goal	12% SBE & 3% DVBE	Small Business Commitment	12% SBE & 3% DVBE
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	SBE Subcontractors	% Committed
1.	Wagner Engineering & Survey Inc.	1.36%
2.	JM Fiber Optics	2.94%
3.	Fariba Nation Consulting	7.70%
	Total Commitment	12.00%

	DVBE Subcontractors	% Committed
1.	MA Engineering	3.00%
	Total Commitment	3.00%

(2) Small Business Participation - Construction

The Diversity and Economic Opportunity Department (DEOD) established a 15% goal, inclusive of a 12% Small Business Enterprise (SBE) goal and 3% Disabled Veteran Business Enterprise (DVBE) goal for Construction. Mass. Electric Construction made a 12% SBE and 3% DVBE commitment.

Small Business Goal	12% SBE & 3% DVBE	Small Business Commitment	12% SBE & 3% DVBE
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	SBE Subcontractors	% Committed
1.	TSG Enterprises Inc. dba The Solis Group	0.21%
2.	TBD	11.79%
	Total Commitment	12.00%

	DVBE Subcontractors	% Committed
1.	TBD	3.00%
	Total Commitment	3.00%

B. Contracting Outreach and Mentoring Plan

To be responsive to DBE requirements, Mass. Electric Company was required to submit a DBE Contracting Outreach and Mentoring Plan (COMP), which included the minimum requirement to apply 25% of the total DBE commitment dollars for Design and 15% of the DBE commitment dollars for Construction for participation in the mentor protégé program.

C. Project Labor Agreement/Construction Careers Policy (PLA/CCP)

The PLA/CCP requires that contractors commit to meet the following targeted hiring goals for select construction contracts over 2.5 million dollars:

Non-Federally Funded Projects		
Community / Local Area Worker Goal	Apprentice Worker Goal	Disadvantaged Worker Goal
40%	20%	10%

D. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

E. Living Wage Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.