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

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PLANNING AND PROGRAMMING COMMITTEE
APRIL 14, 2021

SUBJECT: EXPRESSLANES 2021 PROGRAM AND NET TOLL REVENUE GRANT PROGRAM UPDATE

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE report on update regarding significant projects and initiatives underway in the Metro ExpressLanes program.

DISCUSSION

- **Toll Revenue and Volume**

The COVID-19 pandemic has had a significant impact on the ExpressLanes system. Over the past year, vehicle volumes in the ExpressLanes are approximately 60 percent lower than the baseline period from March 2019 to February 2020. Toll revenues are approximately 80 percent lower than the baseline period. Both volumes and revenues are recovering but neither number is expected to return to pre-COVID levels until at least 2022.

Prior to the Pandemic, ExpressLanes revenue has been trending lower year over year. In Fiscal Year (FY) 2016 ExpressLanes revenue was $72.8 million, in FY 2018 that number was $69.88 million, and in FY 2020, which includes approximately 15 weeks of COVID-19 reduced revenues, the annual revenue was $55.34 million.

- **Net Toll Revenue Grants**

In July 2014, the Metro Board approved 20 projects totaling $19,854,458 as part of the Round 1 Net Toll Revenue Grant program. In August 2016, as part of the Round 2 Net Toll Revenue Grant Program the Metro Board approved 21 projects totaling $27,854,525. As of January 2021, 38 percent of the 2014 funding remain unspent, and 67 percent of the 2016 cycle is waiting for invoices from the applicants. Overall 55 percent of the money remains unspent.

The San Gabriel Valley Council of Governments (SGVCOG) has indicated it would like its near-term priority to be used for constructing the I-10 extension. The Cities along I-110 have not made any formal prioritization beyond the projects awarded funding in 2014 and 2016. As the financial headwinds caused by the Pandemic are better understood additional funding rounds can be evaluated.

In addition to the Net Toll Revenue Grant Program, ExpressLanes continue to fund transit service along the Corridors at a minimum of $6.25 million per year. In FY20 the transit allocation was $7.9 million, which is a 52% increase over the initial 2015 allocation.

- **New System Transition and Integration**

On January 21, 2020, after nearly eight years of operation and just weeks prior to COVID-19, Metro ExpressLanes transitioned its Back-Office System (BOS), Roadside Toll Collection System (RTCS), and ExpressLanes Customer Service Center (CSC) to three new vendors. This transition included a months long process of Factory Acceptance Testing (FAT), System Integration Testing (SIT), training, and data migration covering hundreds of millions of trip/transaction records and more than 500,000 customer accounts. Several outstanding transition-related activities are still taking place with weekly updates to the BOS covering myriad upgrades, performance enhancements and improvements to the underlying source code for the ExpressLanes system. Work on new features and pilot programs including Pay As You Go (PAYG), the Occupancy Detection System (ODS), and the I-10 ExpressLanes Busway HOV5+ Pilot is ongoing.

- **Pay as You Go**

In January 2019, the Metro Board approved a pilot program to test a “Pay-as-You-Use” model - now named “Pay as You Go.” This program allows drivers to use the ExpressLanes without a FasTrak transponder. Tolls are assessed based on license plate images. The $25 penalty was reduced from $25 to $4 to lessen the financial penalty associated with drivers that do not have an ExpressLanes account. The registered owner of the vehicle on file with the Department of Motor Vehicles is responsible for the toll payments and the processing fee. Customers receive a notice for their Metro ExpressLanes trip and have the option to pay on the website, over the phone or in person at an ExpressLanes service center. Any unpaid notice will incur penalties for delinquency. This program has been well received since implementation on January 5, 2020. The pilot period will be extended to allow for a 12-month evaluation period in a post-COVID environment.

- **Occupancy Detection System (ODS)**

In January 2018 the Metro Board approved moving forward with the implementation of an ODS proof of concept. Since that time, the physical ODS infrastructure on the I-10 and I-110 ExpressLanes has been successfully designed, constructed, installed, calibrated, and tested. This included the construction of an entirely new toll collection site for the I-10 location, and addition of a second overhead gantry dedicated to ODS equipment at the I-110 location. In parallel, the public web site has been updated with educational materials about ODS, the customer service representatives have been appropriately trained to handle all ODS -related questions, the BOS has been upgraded with all necessary workflows to handle ODS violations, and all necessary revisions have been made to the ExpressLanes Business Rules, terms & conditions, and Ordinance for Enforcement of Toll Violations. Final roadside commissioning testing was completed earlier this year, and verification of image quality and final end-to-end integration testing is nearly complete. Staff will update the Board on this item prior to Go-Live later this spring.

- **I-105 Project Update**

Metro continues to work with Caltrans to complete the Environmental Impact Report/Environmental Assessment with the goal of a Spring 2021 completion. This project received a $150 million Solutions for Congested Corridors (SCCP) grant in December 2020. In anticipation of this project advancing into the design and construction phases, Metro Congestion Reduction and Program Management are working to prepare the necessary procurement packages and to develop a cooperative agreement with Caltrans for design and right of way. Additionally, internal coordination with the West Santa Ana branch is ongoing. Finally, in January 2021 the Board approved submittal of a Letter of Interest to the United States Department of Transportation to seek

a Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA) loan for this project.

- **I-10 Extension Project Update**

In February 2021 Metro Board approved consultant selection to prepare engineering studies, project report, concept of operations, and advanced design plans as required for the Project Approval Environmental Document (PA/ED) phase. Metro Board also approved moving forward with entering into a cooperative agreement with Caltrans to prepare the environmental document and associated environmental technical studies. Project initiation is expected to begin later this spring. The San Gabriel Valley Council of Governments (SGVCOG) has expressed their support to prioritize this project.

- **I-405 (Sepulveda Pass) Project Update**

The Measure M I-405 ExpressLanes Project has initiated the PA/ED, and Concept of Operations Report efforts with initial public scoping anticipated by August 2021. Delivery of the Final Project Report is scheduled for December 2024. As part of the PA/ED effort, a robust public engagement and outreach plan is being developed. Additionally, ongoing communication and coordination across other Metro projects such as the Sepulveda Pass Transit project will continue.

- **I-10 Busway HOV 5+ Pilot (I-10 Pilot)**

In January 2020, the Metro Board approved the I-10 ExpressLanes Busway HOV5+ Pilot Implementation Plan and authorized the deployment of the Pilot in two phases. The Pilot aims to preserve the ExpressLanes as a faster and more reliable travel option for transit users and other ExpressLanes corridor travelers through strategic increases in the occupancy requirements for toll-free travel.

As identified in November 17, 2020, Board Box there have been two program changes undertaken for the HOV 5+ Pilot Phase 1. The first is in response to the impacts of COVID-19, which has necessitated a delay in deployment until early 2022. The second involves occupancy requirements for toll-free travel during Phase 1 of the Pilot which, in consultation with Caltrans, have been updated to allow HOV3+ vehicles to continue receiving toll-free travel during off-peak periods, including weekends.

- **110 Adams**

Metro is working with Caltrans to prepare an Environmental Impact Report (EIR) for the I-110 Adams Flyover project. This project would provide a direct connection between the I-110 ExpressLanes and arterials such as Figueroa Street and will be accompanied by a robust community outreach effort.

ATTACHMENTS

A. Net Toll Revenue Board Box

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Phillip A. Washington
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Metro

November 3, 2020

TO: **BOARD OF DIRECTORS**

THROUGH: **PHILLIP A. WASHINGTON**
CHIEF EXECUTIVE OFFICER

FROM: **SHAHRZAD AMIRI**
EXECUTIVE OFFICER, CONGESTION REDUCTION

SUBJECT: **METRO EXPRESSLANES - NET TOLL REVENUE GRANT PROGRAM**

ISSUE

In July 2014, the Metro Board approved 20 projects totaling $19,854,458 as part of the Round 1 Net Toll Revenue Grant program. In August 2016, as part of the Round 2 Net Toll Revenue Grant Program the Metro Board approved 21 projects totaling $27,854,525. The COVID-19 pandemic has impacted working environments and has brought financial hardships for many of these project sponsors resulting in additional delays in project implementation. Consequently, staff is recommending a one-year time extension for the 29 projects in Attachment A.

DISCUSSION

The Net Toll Revenue program's primary objective is to increase mobility and person throughput within the I-10 and I-110 corridors through implementation of integrated strategies that enhance transit operations, transportation demand management, transportation systems management, active transportation, and capital investments. Of the 20 projects from Round 1, nine (9) have been completed and eleven (11) are in progress and have expended partial funds. Of the 21 projects from Round 2, four (4) have been completed while seventeen (17) are in progress and have expended partial funds.

Board Policy requires consideration of de-obligation of funding from project sponsors who have not met lapsing deadlines. Since the project sponsors have taken steps to advance projects, expended partial funds, are challenged due to COVID impacts, based on industry best practices, staff is recommending a one-year extension from the current month and year of lapsing to Round 1 and Round 2 projects listed on Attachment A.

NEXT STEPS

Amendments to existing agreements will be completed for those project sponsors receiving time extensions. Staff will work with these sponsors to make sure projects are moving in a timely matter.

ATTACHMENT

Net Toll Revenue Grant Projects List

ATTACHMENT A

Round 1 – Net Toll Revenue Grant Project List

Project ID	Corridor	Sponsor	Project Name	Funding	Funding Agreement Date	Lapsing Date	New Proposed Lapsing Date
MX201403	I-110	Caltrans	I-110 HOT/Express Lanes Improvements	$1,020,039	1/14/2016	7/14/2020	7/14/2021
MX201406	I-110	City of Carson	Dominguez Channel Bike & Pedestrian Path	$1,259,000	12/8/2015	6/8/2020	6/8/2021
MX201408	I-110	City of Gardena	Line 1X-Expand Transit Bus Service on I-110 Freeway	$842,482	4/29/2016	10/29/2020	10/29/2021
MX201409	I-110	City of Los Angeles	Active Streets LA Budlong Avenue	$1,176,185	11/2/2015	5/2/2020	5/2/2021
MX201418	I-110	Torrance Transit	Torrance Transit Expansion of Line #1 and Line #4 HOTLane Service	$2,235,991	4/27/2016	10/27/2020	10/27/2021
MX201402	I-10	Caltrans	Express Lanes Corridors Incident Management Improvements Project	$480,000	5/4/2016	11/4/2020	11/4/2021
MX201404	I-10	City of Baldwin Park	Baldwin Park Commuter Connector Express Line	$700,395	8/17/2015	2/17/2020	2/17/2021
MX201405	I-10	City of Baldwin Park	Park Frazier Street Pedestrian and Bicycle Safety Improvements	$895,288	3/30/2016	9/30/2020	9/30/2021
MX201407	I-10	City of El Monte	Santa Anita Avenue Active Transportation for El Monte Station and Downtown El Monte	$633,782	4/5/2016	10/5/2020	10/5/2021
MX201412	I-10	City of Los Angeles	My Figueroa Project Marketing and Safety	$150,000	3/13/2015	9/13/2020	9/13/2021
MX201419	I-10	City of El Monte	I-10 Active Commute, Healthy Communities Project	$440,000	1/14/2016	7/14/2020	7/14/2021
MX201420	I-10	City of Los Angeles	Cesar Chavez Great Street	$435,000	1/27/2016	7/27/2020	7/27/2021

Round 2 – Net Toll Revenue Grant Project List

Project ID	Corridor	Sponsor	Project Name	Funding	Funding Agreement Date	Lapsing Date	New Proposed Lapsing Date
MX201425	I-110	Long Beach Transit	Los Angeles Galaxy Shuttle Bus Service (Galaxy Express)	$ 600,000	2/2/2017	8/2/2020	8/2/2021
MX201426	I-110	City of Carson	Carson Rapid Bus Priority System	$ 584,150	3/15/2017	9/15/2020	9/15/2021
MX201427	I-110	Torrance Transit	Torrance Transit Line #4 Express Buses and Relief Vehicles	$ 960,000	3/21/2017	9/21/2020	9/21/2021
MX201430	I-110	City of Carson	I-110 Freeway Arterial Improvements	$ 1,760,000	5/16/2017	11/16/2020	11/16/2021
MX201431	I-110	City of Gardena Transit	Garden Transit Innovative ITS Rollout	$ 1,375,000	4/20/2017	10/20/2020	10/20/2021
MX201432	I-110	County of Los Angeles	South Bay Arterial ITS Congestion Relief Project	$ 717,360	4/20/2017	10/20/2020	10/20/2021
MX201433	I-110	County of Los Angeles	Vermont Green Line Intersection Improvement Project	$ 1,626,000	5/9/2017	11/9/2020	11/9/2021
MX201434	I-110	City of Los Angeles	I-110 Corridor Revitalization - Grand Avenue/Flower Avenue	$ 1,231,000	5/25/2017	11/25/2020	11/25/2021
MX201435	I-110	County of Los Angeles	Firestone Blue Line Station Intersection and Bikeway Improvements Project	$ 1,863,000	4/20/2017	10/20/2020	10/20/2021
MX201436	I-110	City of Carson	Dominguez Channel Bike Path Improvements	$ 1,299,478	7/6/2017	1/6/2021	1/6/2022
MX201437	I-10	Foothill Transit	Procurement of two Electric Double Decker Buses	$1,458,000	6/19/2017	12/19/2020	12/19/2021
MX201438	I-10	Access Services	Accessible CNG-Fueled Vehicles for Access Services	$ 1,130,925	6/19/2017	12/19/2020	12/19/2021
MX201440	I-10	County of Los Angeles	Whittier Blvd Transit Priority Project	$ 516,600	6/19/2017	12/19/2020	12/19/2021
MX201441	I-10	City of Arcadia	City of Arcadia Transit & Pedestrian Mobility Enhancement Project	$ 470,000	6/19/2017	12/19/2020	12/19/2021
MX201442	I-10	City of Los Angeles	Vision Zero I-10 Corridor Area Traffic Signal Improvements	$ 776,000	3/21/2017	9/21/2020	9/21/2021
MX201443	I-10	County of Los Angeles	Eaton Wash Bike Path - Phase 1	$ 3,100,000	3/21/2017	9/21/2020	9/21/2021
MX201444	I-10	City of Los Angeles	Sixth Street Viaduct Mission/Myers Roundabout Project	$ 1,796,000	3/22/2017	9/22/2020	9/22/2021