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

File #: 2026-0497, **File Type:** Program **Agenda Number:** 23.

FINANCE, BUDGET, AND AUDIT COMMITTEE
OCTOBER 15, 2026

SUBJECT: CALIFORNIA SB1 STATE OF GOOD REPAIR PROGRAM

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

APPROVE the Resolution in Attachment A that:

A. AUTHORIZE the Chief Executive Officer (CEO) or their designee to claim $45,745,590 in fiscal year (FY) 2026-27 State of Good Repair Program (SGR) grant funds as the Regional Entity for Los Angeles County for this program;

B. APPROVE the regional SGR Project List for FY2026-27 in Attachment B; and

C. CERTIFY that Metro will comply with all conditions and requirements set forth in the SB1 SGR Certification and Assurances document, applicable statutes, regulations and guidelines.

ISSUE

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

BACKGROUND

As defined in The Road Repair and Accountability Act of 2017, known as Senate Bill 1 (SB1), the SGR Program provides approximately $141 million in this cycle to transit operators in California for eligible transit repair, rehabilitation, and capital projects to help keep transit systems in a state of good repair. These new investments will lead to cleaner transit vehicle fleets, increased reliability and safety, and reduced greenhouse gas emissions.

Pursuant to PUC Section 99312.1, the funds for the SGR Program are distributed to eligible agencies using the State Transit Assistance formula. This formula distributes half of the funds based on

population and half according to transit operator revenues. Within Los Angeles County, the revenues will be distributed according to the Metro Board-adopted Measure R 20% Bus Operations formula.

DISCUSSION

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

Program requirements and deadlines are discussed at Bus Operations Subcommittee (BOS) meetings. Metro staff are available to provide guidance if requested. However, each individual agency is ultimately responsible for selecting their own projects and submitting their requests to Caltrans' online SMART system. Caltrans staff reviewed all submittals, asked follow-up questions if necessary, and sent the final list of county projects to Metro in early September. The 2026-2027 project list is included in Attachment B. Examples of capital improvements contained in the project list include replacement vehicle purchase, bus and rail preventive maintenance, rehabilitation of bus and facility equipment, replacement of bus stop shelters, electrification of bus maintenance facility and transit facility improvements.

Metro is required to submit the combined project list to Caltrans by September 1, 2026. The submittal package must include an adopted Board resolution approving the Project List and certifying that Metro will comply with all conditions and requirements set forth in the Certifications and Assurances documents. The final project list was not received by Metro until September 3, 2026, too late to include in the September Board cycle. Caltrans has accepted a draft resolution with the project list submittal pending receipt of a Board-adopted resolution. Therefore, staff is seeking Board approval of the resolution contained in Attachment A.

DETERMINATION OF SAFETY IMPACT

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

FINANCIAL IMPACT

Adoption of the SGR resolution would positively impact the region by making an estimated $45.7 million available to support state of good repair efforts for Metro and the Municipal Operators. The actual amount is dependent upon SB1 revenues received during the year.

Impact to Budget

Claiming SGR funds will have a positive impact on the FY27 Budget, as Metro is one of the regional recipients of these funds. These funds are only eligible for capital projects.

EQUITY PLATFORM

This program helps fund rehabilitation and state of good repair activities for Metro and the Municipal Operators throughout Los Angeles County. Projects include bus stop shelter replacements, zero emission vehicles, charging facilities and repairs to existing vehicles and facilities. The SB1 SGR funded projects will focus on reducing greenhouse gas emissions while enhancing the customer experience in Equity-Focused Communities (EFCs). Transit riders in EFCs will benefit significantly from much needed service and capital improvements such as bus replacements projects and improved air quality.

VEHICLE MILES TRAVELED OUTCOME

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

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. This item supports Metro's systemwide strategy to reduce VMT through maintenance activities that will maintain and further encourage transit ridership. This item is a funding requirement and provides transparency and accountability. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

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

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports the following Metro Strategic Plan Goal:

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

ALTERNATIVES CONSIDERED

The Board may choose not to approve the resolution in Attachment A. Staff does not recommend this alternative because it would risk loss of the region's FY26-27 SGR fund allocation.

NEXT STEPS

Upon approval, staff will submit the Resolution to Caltrans.

ATTACHMENTS

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

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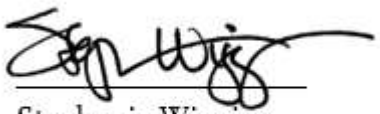

Stephanie Wiggins
Chief Executive Officer

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

RESOLUTION # _____

APPROVING THE PROJECT LIST FOR FY 2026-27

FOR THE CALIFORNIA STATE OF GOOD REPAIR PROGRAM

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

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

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

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

NOW, **THEREFORE, BE IT RESOLVED,** that Metro hereby approves the SB1 State of Good Repair Project List for FY 2026-27; and

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

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

AGENCY BOARD DESIGNEE:

BY: _____

Attachment B
Submitted Project Listing From Metro and Municipal Operators

Agency	Project Title	Project Description	FY 26/27 Estimated 99313 Costs	FY 26/27 Estimated 99314 Costs
Antelope Valley Transit Authority	Fleet/Bus Replacement Project	Replacement of buses in fleet needed beginning in FY2030 for buses ending their useful lives, for local and commuter services.		$ 407,070
City of Commerce	Security Equipment and Systems Replacement	The SGR funds will be used to replace security equipment and systems within the city's transit fleet and facilities.		$ 33,262
City of Culver City	Transit Vehicle Repair	Repair of heavy-duty transit bus vehicle fleet. Does not include oil changes and other activities associated with the standard preventive maintenance checklist. Added 26/27 funds to this project.		$ 349,109
City of Gardena	Capital Bus Components and facility equipment 21/22 Funds	Replacement bus components and facility equipment. Such as: - Sensor Fuel Temp/Pressure ISL-G - Valve Pressure Regulator I9N - Reserve for Mobile Devises ORI - Shut off Valve 3M - Wheel Alum 40’22.5x8.25		$ 335,458
City of Los Angeles	Electrical Infrastructure for Bus Charging at LADOT Bus Yard in Sylmar	The City of Los Angeles owns the bus yard in Sylmar, CA. LADOT will use the SGR money to install electrical infrastructure related to bus charging for the DASH and Commuter Express bus fleets.		$ 922,191
City of Montebello	Purchase Replacement CNG Buses	Local match for the replacement of 10 CNG buses with CNG buses 40 ft, 39 passengers.		$ 505,078
City of Norwalk	Transit Facility Improvements	Repurposing a portion of FY19/20 funding toward operational and ped improvements. The pedestrian safety walkway will extend from the Transit Center's MetroLink platform around the existing parking lots/bus route to avoid any accidents. In addition, the southend access gate will be replaced with a functional RFID gate as the current gate is broken and can only be operated by hand. HVAC system for customer service area to allow for increased protection from COVID.		$ 195,297
City of Redondo Beach	CAD/AVL System Replacement and Modernization	Replace & modernize its existing Computer-Aided Dispatch/Automatic Vehicle Location (CAD/AVL) system. The existing system has experienced reliability, usability, and operational challenges that affect daily transit operations. The replacement project will maintain existing fixed-route transit service and provide a reliable operational platform before the current GMV contract expires in June 2027. The project will acquire and deploy Swiftly CAD/AVL platform and supporting onboard equipment.		$ 40,889

Attachment B
Submitted Project Listing From Metro and Municipal Operators

Agency	Project Title	Project Description	FY 26/27 Estimated 99313 Costs	FY 26/27 Estimated 99314 Costs
City of Santa Clarita	Transit Maintenance Facility Hydrogen Fueling Station	Replace and/or upgrade the existing fueling station to accommodate Hydrogen fuel to meet the California 100% Zero Emission Bus (ZEB) rule.		$ 248,135
City of Santa Monica	Bus Replacement	Purchase approximately 103 Zero-Emission Vehicles to replace CNG buses that have reached it's useful life of 12 years.		$ 1,270,779
City of Torrance	Torrance Transit SB1 State of Good Repair Rehab & Repair Vehicles	Repair and maintenance of the vehicles after an accident or through wear and tear during prolonged service. Funds will also be used to maintain the physical exterior of the buses such as decals, paint, molding, etc. to ensure protection from the elements and maximum usage during the vehicles expected useful operating life.		$ 409,235
Foothill Transit	Bus Repair and Rehabilitation	Activities, supplies, materials, labor, services, and associated costs required to repair and rehabilitate the rolling stock to preserve or extend the functionality and serviceability of the buses.		$ 1,816,274
Long Beach Public Transportation Company	Bus Replacement	Request for funding to support the next group of bus replacements for vehicles that have reached the end of their useful life. Project funding supports the purchase of up to 20 CNG vehicles, 40-ft vehicles that are fully ADA-compliant with a passenger count of up to 38 passengers.		$ 1,538,125
Los Angeles County	Bus Stop Shelters Replacement Throughout LA County	Replace up to 240 bus stop shelters located throughout the Los Angeles area. Each bus stop shelter will consists of a bench, a trash receptacle and illumination from dusk to dawn. This project will have two phases. Phase 1 started Dec 2025 with 17/18 and 18/19 funds. Phase 2 still in development possibly starting 2027 - working with multiple districts within LA County.		$ 78,312
Los Angeles County Metropolitan Transportation Authority	Metro Bus Vehicle Repair and Rehab	Repair and rehabilitation expenses at all Metro Bus Operating Divisions and the Central Maintenance Facility.		$ 18,207,158
Los Angeles County Metropolitan Transportation Authority	Metro Rail Vehicle and Wayside Rehabilitation and Repair Preventive Maintenance	Rehabilitation and repair preventive maintenance expenses of Metro Light and Heavy Rail rolling stock and wayside facilities. This is non-routine maintenance to maintain safety and reliability of the system.	$ 19,389,218	
Los Angeles County Total			**$ 19,389,218**	**$ 26,356,372**

Item #2026-0497

California SB1 State of Good Repair Program

Finance, Budget & Audit Committee

October 15, 2026

Background

- Road Repair and Accountability Act of 2017 Senate Bill 1 (SB1)
  - Provides $141 million in FY27 transit capital funding statewide through the State of Good Repair (SGR) Program
- Eligible for transit repair, rehabilitation & other capital projects to help maintain systems in a state of good repair
- LA County's share of FY27 SB1 SGR funds is approximately $45.7 million
- To receive funds, Metro, as regional entity, must submit an adopted resolution that:
  - Approves Metro & other eligible operator projects
  - Certifies SB1 program compliance

Metro

Recommendation

APPROVE the Resolution in Attachment A that:

A. AUTHORIZE the Chief Executive Officer (CEO) or designee to claim $45,745,590 in fiscal year (FY) 2026-27 State of Good Repair Program (SGR) grant funds as the Regional Entity for Los Angeles County for this program;

B. APPROVE the regional SGR Project List for FY2026-27 in Attachment B; and

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Metro