

# **Metro**

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



**Metro**<sup>®</sup>

## **Agenda - Final**

**Wednesday, June 14, 2017**

**1:00 PM**

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

### **Finance, Budget and Audit Committee**

*Jacquelyn Dupont-Walker, Chair*

*Janice Hahn, Vice Chair*

*Robert Garcia*

*Ara Najarian*

*Hilda Solis*

*Carrie Bowen, non-voting member*

*Phillip A. Washington, Chief Executive Officer*

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(ALSO APPLIES TO BOARD COMMITTEES)

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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

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-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](#)

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](#)

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.

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- 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 (SCR TTC) 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](#)

**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

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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](#)

**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

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- 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- Proposed recommendation of SSTAC](#)

**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 SCRRA for the approved funding.

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

**15.     SUBJECT:     FY18 AUDIT PLAN**

[2017-0370](#)

ADOPT the FY18 Proposed Audit Plan.

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

**Adjournment**

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.





## 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.

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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

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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
<p>City of Bell 380-03 (New)</p> <p>Estimated lapse of \$400,000 on 6/30/17</p>	<p><u>Project</u> Street Intersection, striping and Landscaped Median Improvements along Atlantic Ave</p> <p><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</p>	\$400,000	Proposition C 20% Local Return	<p>6/30/20</p> <p>An estimated potential lapsing of \$400,000 on 6/30/17</p>
<p>City of Duarte #01-380 (New)</p> <p>Estimated annual lapse of \$340,000 6/30/20 6/30/21 6/30/22 6/30/23 6/30/24</p>	<p><u>Project</u> Duarte's Local Match for Gold Line Rail Project</p> <p><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.</p> <p>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.</p>	\$1,718,047	Proposition A 25% Local Return	<p>6/30/20</p> <p>This is for additional time to accumulate funding for larger projects</p>
<p>City of South El Monte #01-380 (New)</p> <p>Estimated annual lapse of \$320,000 6/30/20 6/30/21 6/30/22</p>	<p><u>Project:</u> Durfee Median Improvement &amp; Striping</p> <p><u>Justification:</u> The capital reserve will assist in the accumulation of funds to provide Improvements on Durfee between Thienes and Rush.</p> <p>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.</p>	\$1,100,000	Proposition C 20% Local Return	<p>6/30/20</p> <p>This is for additional time to accumulate funding for larger projects</p>

JURISDICTION	PROJECT	AMOUNT	FUND	AGREEMENT TERMINATION/ REVIEW DATE
<p>City of Arcadia #04-380 (Amended)</p> <p>Original MOU termination date 9/2/06. This is the 4<sup>th</sup> amendment</p>	<p>Project: Gold Line Foothill Extension Related Improvements</p> <p>Justification: The capital reserve will assist in the completion of this project. This request is for an extension to 6/30/20.</p>	<p>\$2,000,000 (Prop A)</p> <p>\$3,000,000 (Prop C)</p>	<p>Proposition A 25% and Proposition C 20% Local Return</p>	<p>6/30/20</p> <p>This project is almost complete. Request for more time to complete the project</p>
<p>City of Lynwood #58-380 (Amended)</p> <p>Estimated lapse of \$1,747,000 on 6/30/19.</p>	<p>Project: Long Beach Blvd Improvement Project (Phase II)</p> <p>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.</p>	<p>\$4,255,275 (Revised)</p> <p>\$1,747,000 (Original)</p>	<p>Proposition C 20% Local Return</p>	<p>6/30/20</p> <p>This project is now in Phase II. Request to increase amount.</p>

**Board Report**

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**File #:** 2017-0306, **File Type:** Program**Agenda Number:** 10.

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**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

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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.

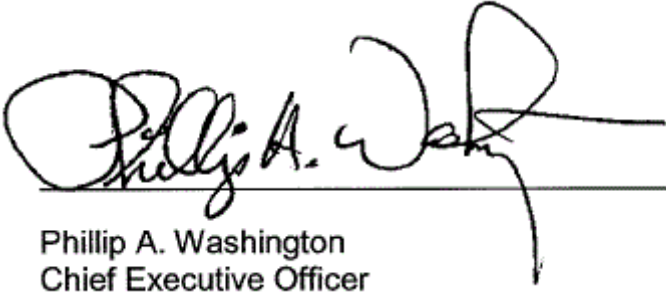
#### ATTACHMENTS

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

**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

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

**Agenda Number:** 11.

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**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 (SCR TTC) 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**

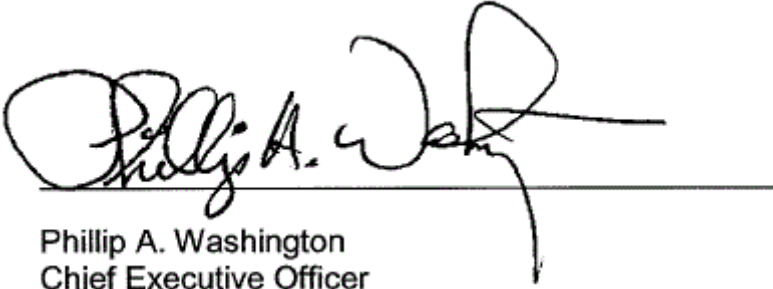
- A. FY2018 Transit Fund Allocations
- B. Summary of Significant Information, Methodologies and Assumptions
- C. TDA and STA Resolution

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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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Proposed

**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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Proposed

Bus Transit Subsidies

**STATE AND LOCAL FUNDS**

Proposed

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

**ATTACHMENT A**

<b>REVENUE ESTIMATES</b>						
<b>STATE AND LOCAL</b>	<b>FY18 Estimated Revenue</b>	<b>Carryover FY16 Budget vs Actual</b>	<b>Interest FY16 Actual</b>	<b>FY18 Total Funds Available</b>	<b>NOTE</b>	<b>FY17 Total Funds Available</b>
<b>Transportation Development Act:</b>						
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
<b>8 Total</b>	<b>401,000,000</b>	<b>1,002,744</b>	<b>1,416,021</b>	<b>403,418,765</b>	a	<b>406,280,799</b>
<b>Proposition A:</b>						
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
<b>16 Total</b>	<b>802,000,000</b>	<b>54,794</b>		<b>802,054,794</b>	a	<b>800,299,037</b>
<b>Proposition C:</b>						
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
<b>23 Total</b>	<b>802,000,000</b>	<b>114,770</b>		<b>802,114,770</b>	a	<b>804,879,993</b>
<b>State Transit Assistance:</b>						
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
<b>26 Total</b>	<b>60,000,000</b>	<b>(26,996,196)</b>	<b>176,574</b>	<b>33,180,378</b>		<b>58,942,476</b>

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

**ATTACHMENT A**

<b>REVENUE ESTIMATES (continued)</b>							
<b>STATE AND LOCAL</b>		<b>FY18 Estimated Revenue</b>	<b>Carryover FY16 Budget vs Actual</b>	<b>Interest FY16 Actual</b>	<b>FY18 Total Funds Available</b>	<b>N O T E</b>	<b>FY17 Total Funds Available</b>
<b>Measure R:</b>							
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
<b>35 Total</b>		<b>802,000,000</b>	<b>1,250,970</b>	<b>6,311,723</b>	<b>809,562,693</b>	a	<b>811,064,445</b>
<b>Measure M:</b>							
Local Return Supplemental & Administration:							
36 Administration	0.5000%	3,923,785	-		3,923,785	f	-
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		-
<b>48 Total</b>		<b>761,900,000</b>	<b>-</b>	<b>-</b>	<b>761,900,000</b>		<b>-</b>
<b>49 Total Funds Available</b>		<b>\$ 3,628,900,000</b>	<b>\$ (24,572,918)</b>	<b>\$ 7,904,318</b>	<b>\$ 3,612,231,400</b>		<b>\$ 2,881,466,750</b>
<b>Total Planning &amp; Admin Allocations:</b>							
<b>50 (Lines 4, 9, 17, 27 and 36)</b>		<b>\$ 76,583,785</b>	<b>\$ 30,985</b>	<b>\$ 535,646</b>	<b>\$ 77,150,416</b>		<b>\$ 73,366,485</b>

**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  
Transit Fund Allocations  
Fiscal Year 2018**

**ATTACHMENT A**

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			
<b>Included Operators:</b>											
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
<b>Municipal Operators:</b>											
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
<b>Eligible Operators:</b>											
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
<b>Tier 2 Operators:</b>											
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	<b>Grand Total</b>	<b>\$ 362,075,340</b>	<b>\$ 13,644,863</b>	<b>\$ 278,037,941</b>	<b>\$ 653,758,144</b>	<b>\$ 35,554,985</b>	<b>\$ 71,518,701</b>	<b>\$ 157,348,806</b>	<b>\$ 10,000,000</b>	<b>\$ 150,094,300</b>	<b>\$ 1,078,274,937</b>



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

**ATTACHMENT A**

<b>BUS TRANSIT FUNDING PERCENTAGE SHARES</b>										
<b>Operators</b>	<b>Vehicle Service Miles(VSM) (1)</b>	<b>Passenger Revenue (\$) (1)</b>	<b>Base Fare (\$)</b>	<b>Fare Units</b>	<b>Fare Units Prior to Fare Increase/decrease</b>	<b>Fare Units Used in FAP (2)</b>	<b>Sum 50% VSM + 50% Fare Units</b>	<b>Proposition A Base Share</b>	<b>DAR Cap Adjustment (3)</b>	<b>TDA/STA Share</b>
<b><u>Included Operators</u></b>										
1 Metro Bus Ops.(4)	75,809,000	253,594,000	\$ 1.75	144,910,857	197,161,600	<b>197,161,600</b>	136,485,300	74.1622%	0.0000%	74.1622%
2 Arcadia DR	179,075	60,425	0.50	120,850	72,829	<b>72,829</b>	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	<b>81,840</b>	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	<b>3,673,208</b>	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	<b>14,221,000</b>	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	<b>3,703,600</b>	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	<b>15,972,456</b>	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	<b>5,855,556</b>	4,031,778	2.1908%	0.0000%	2.1908%
12 Norwalk	836,863	1,223,103	1.25	978,482	2,094,068	<b>2,094,068</b>	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	<b>14,661,333</b>	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	<b>4,510,000</b>	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%
<b><u>Eligible Operators</u></b>										
18 Antelope Valley	2,848,346	4,821,369	1.50	3,214,246	3,543,241	<b>3,543,241</b>	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	<b>6,727,520</b>	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	<b>3,152,832</b>	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	<b>1,650,000</b>	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 <b>Total</b>	<b>115,851,059</b>	<b>326,799,387</b>		<b>209,252,939</b>		<b>281,044,595</b>	<b>198,447,827</b>			

**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. Starting 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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<b>INCLUDED &amp; ELIGIBLE OPERATORS ESTIMATED FUNDING LEVELS</b>										
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	Two Year Lag Funding (2)	
		Allocated	Fund Exchange	Net						
<b>Included Operators</b>										
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	
<b>Eligible Operators</b>										
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	<b>Total FAP</b>		<b>\$ 362,075,340</b>		<b>\$ 362,075,340</b>	<b>\$ 13,644,863</b>	<b>107.3100%</b>	<b>\$ 238,937,564</b>	<b>\$ 647,758,144</b>	<b>\$ (0)</b>
<b>Proposition A Discretionary (95% of 40%) Growth Over CPI:</b>										
25	Revenue							<b>\$ 50,584,436</b>		
Uses of Fund:										
26	Eligible Operators - Formula Equivalent Funds							33,100,377		
27	Tier 2 Operators							6,000,000		
28	Total Uses of Funds							<b>39,100,377</b>		
29	Proposition A Discretionary (95% of 40%) GOI Surplus (Shortfall)							<b>11,484,059</b>		
30	Backfill from (Transfer to) PC40% Discretionary							<b>(11,484,059)</b>		
								<b>\$ -</b>		

**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.

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<b>PROPOSITION C 5% TRANSIT SECURITY FUNDING ALLOCATION</b>			
<b>Operators</b>	<b>FY16 Unlinked Passengers</b>	<b>Percent of Total Unlinked Passengers</b>	<b>Total Funding Allocation (1)</b>
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 <b>Total</b>	<b>536,063,064</b>	<b>100.0000%</b>	<b>\$ 35,554,985</b>

**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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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	
<b>INCLUDED OPERATORS</b>											
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	78,097	2,019,367
6 Foothill	6.3844%	19.2603%	4,636,061	-	-	332,948	1,997,984	930,206	1,257,810	285,536	9,440,544
7 Gardena	1.4130%	4.2627%	1,026,064	-	149,603	691,440	-	175,483	288,321	65,452	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	247,015	9,589,534
10 Montebello	2.1908%	6.6090%	1,590,837	-	231,949	-	1,139,719	217,506	323,752	73,495	3,577,258
11 Norwalk	0.7963%	2.4022%	578,235	-	84,309	-	-	56,276	46,615	10,582	776,017
12 Redondo Beach DR/MB	0.1929%	0.5818%	140,043	-	20,419	-	-	3,995	46,628	10,585	221,670
13 Santa Monica	5.2920%	15.9648%	3,842,827	-	560,297	-	-	797,207	1,209,442	274,556	6,684,328
14 Torrance	1.6921%	5.1046%	1,228,705	-	179,149	809,601	725,204	240,702	248,786	56,477	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	1,105,232	39,407,363
<b>ELIGIBLE OPERATORS</b>											
16 Antelope Valley	1.6222%	4.8938%	1,177,961	-	5,816	377,002	-	47,849	256,175	58,155	1,922,958
17 Santa Clarita	1.6455%	4.9640%	1,194,861	-	5,899	197,183	-	51,183	749,763	170,204	2,369,094
18 LADOT Local/Express	3.3160%	10.0036%	2,407,934	-	327,363	2,708,484	-	150,026	1,383,771	314,131	7,291,709
19 Foothill BSCP	0.7264%	2.1914%	527,493	-	-	-	-	-	306,637	69,610	903,740
20 Sub-Total	7.3100%	22.0528%	5,308,248	-	339,079	3,282,669	-	249,058	2,696,347	612,100	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	1,717,331	52,110,665
23 <b>Total</b>	<b>33.1478%</b>	<b>100.0000%</b>	<b>\$24,070,596</b>	<b>\$ 706,427</b>	<b>\$10,250,771</b>	<b>\$7,855,793</b>	<b>\$ 4,112,471</b>	<b>\$15,240,324</b>	<b>\$ 7,564,987</b>	<b>\$ 1,717,331</b>	<b>\$ 71,518,701</b>

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	<b>\$24,070,596</b>	<b>\$7,855,793</b>	<b>\$ 4,112,471</b>	<b>\$15,240,324</b>

**Note:**

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

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<b>BRIDGE FUNDING FOR FY15 PROPOSITION 1B PTMISEA FUND</b>								
<b>Allocation Basis - FY15</b>								
	<b>[A]</b>	<b>[B]</b>	<b>[C]</b>	<b>[D]</b>	<b>[E]</b>	<b>[F]</b>	<b>[G]</b>	
				(C-A)		(A+E)	(E) /3	
	<b>PTMISEA FUND</b>	<b>FY15 STA % Share</b>	<b>FAP Allocation</b>	<b>FAP Allocation Over (Under) STA Allocation</b>	<b>Bridge Funding</b>	<b>Total Funds</b>	<b>FY18 Bridge Funding (1st of 3 Installments)</b>	
<b><u>Included Operators</u></b>								
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	15,138
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	344,025
5	Foothill	4,323,936	6.1185%	8,097,366	3,773,430	3,773,430	8,097,366	1,257,810
6	Gardena	1,014,034	1.4198%	1,878,996	864,962	864,962	1,878,996	288,321
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	1,088,123
9	Montebello	2,004,725	2.2487%	2,975,982	971,257	971,257	2,975,982	323,752
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	46,615
12	Redondo Beach	120,697	0.1969%	260,582	139,885	139,885	260,582	46,628
13	Santa Monica	3,529,674	5.4087%	7,158,000	3,628,326	3,628,326	7,158,000	1,209,442
14	Torrance	1,525,960	1.7170%	2,272,318	746,358	746,358	2,272,318	248,786
15	Sub-Total	122,960,388	100.0000%	132,342,333	9,381,945	14,605,919	137,566,307	4,868,640
<b><u>Eligible Operators</u></b>								
16	Antelope Valley	1,265,840	1.5372%	2,034,366	768,526	768,526	2,034,366	256,175
17	Santa Clarita	-	1.6996%	2,249,290	2,249,290	2,249,290	2,249,290	749,763
18	City of Los Angeles	-	3.1368%	4,151,314	4,151,314	4,151,314	4,151,314	1,383,771
19	Foothill BSCP	-	0.6951%	919,912	919,912	919,912	919,912	306,637
20	Sub-Total	1,265,840	7.0687%	9,354,882	8,089,042	8,089,042	9,354,882	2,696,347
21	Total Municipal Operators	124,226,228	107.0687%	141,697,215	17,470,987	22,694,961	146,921,189	7,564,987
22	SCRRRA	8,116,105	-	-	-	-	8,116,105	-
23	<b>Grand Total</b>	<b>\$ 132,342,333</b>	<b>107.0687%</b>	<b>\$ 141,697,215</b>	<b>\$ 17,470,987</b>	<b>\$ 22,694,961</b>	<b>\$ 155,037,294</b>	<b>\$ 7,564,987</b>

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<b>BRIDGE FUNDING FOR FY15 PROPOSITION 1B SECURITY FUND</b>							
<b>Operators</b>	<b>Allocation Basis - FY15</b>						
	<b>[A]</b>	<b>[B]</b>	<b>[C]</b>	<b>[D]</b> (C-A)	<b>[E]</b>	<b>[F]</b> (A+E)	
	<b>SECURITY FUND</b>	<b>FY15 STA % Share</b>	<b>FAP Allocation</b>	<b>FAP Allocation Over (Under) STA Allocation</b>	<b>FY18 Bridge Funding</b>	<b>Total Funds</b>	
<b><u>Included Operators</u></b>							
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
<b><u>Eligible Operators</u></b>							
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	SCRRA	614,147	-	-	-	-	614,147
23	<b>Grand Total</b>	<b>\$ 10,014,368</b>	<b>107.0687%</b>	<b>\$ 10,722,254</b>	<b>\$ 1,322,033</b>	<b>\$ 1,717,331</b>	<b>\$ 11,731,700</b>

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<b>MEASURE R 20% BUS OPERATIONS AND CAPITAL ALLOCATIONS</b>								
	<b>20% Bus Operations</b>						<b>Clean Fuel Bus Capital Facilities and Rolling Stock Fund (2)</b>	
	<b>Proposition A Base Share %</b>	<b>Percentage Share</b>	<b>Bus Operations Allocation [A]</b>	<b>Regional Ridership Task Force (1)</b>		<b>Measure R Total Funds Available [A] - [B]</b>	<b>Federal Section 5307 Capital Allocation Formula Share</b>	<b>Allocation Amount</b>
				<b>% Share</b>	<b>\$ Allocations [B]</b>			
<b><u>Included Operators:</u></b>								
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
<b><u>Eligible Operators:</u></b>								
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 <b>Total Funds Allocated</b>	<b>107.3100%</b>	<b>100.0000%</b>	<b>\$158,048,806</b>	<b>100.0000%</b>	<b>\$ 700,000</b>	<b>\$ 157,348,806</b>	<b>100.0000%</b>	<b>\$ 10,000,000</b>

**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  
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**ATTACHMENT A**

<b>MEASURE M 20% TRANSIT OPERATIONS (Metro and Municipal Providers)</b>			
<b>Operators</b>	<b>Proposition A Base Share %</b>	<b>Measure M <sup>(1)</sup> Percentage Share</b>	<b>\$ Allocation <sup>(2)</sup></b>
<b><u>Included Operators:</u></b>			
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
<b><u>Eligible Operators:</u></b>			
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 <b>Total Funds Allocated</b>	<b>107.3100%</b>	<b>100.0000%</b>	<b>\$ 150,094,300</b>

**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  
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**ATTACHMENT A**

<b>TIER 2 OPERATORS ESTIMATED FUNDING LEVELS</b>							
	<b>Vehicle Service Miles</b>	<b>Passenger Revenue</b>	<b>Base Fare</b>	<b>Fare Units (1)</b>	<b>50% VSM + 50% Fare Units</b>	<b>% Share</b>	
1	LADOT Community Dash	2,769,802	\$ 3,826,413	\$ 0.50	<b>16,808,232</b>	9,789,017	4.6413%
2	Glendale	615,122	932,067	1.00	<b>2,187,836</b>	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	<b>Total</b>	<b>120,427,285</b>	<b>\$ 332,639,142</b>		<b>229,602,022</b>	<b>210,910,482</b>	<b>100.0000%</b>
<b>Formula Equivalent Calculation</b>							
		<b>% Share</b>	<b>TDA Article 4 + Interest</b>	<b>STA Revenue Base Share + Interest</b>	<b>Proposition A Discretionary</b>	<b>Total</b>	
8	<b>Funds Allocated to Included Operators</b>		<b>\$362,075,340</b>	<b>\$ 13,644,863</b>	<b>\$ 238,937,564</b>	<b>\$614,657,767</b>	
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	<b>Total</b>	<b>5.9090%</b>	<b>\$ 21,394,953</b>	<b>\$ 806,272</b>	<b>\$ 14,118,769</b>	<b>\$ 36,319,994</b>	
14	<b>Funds Allocated to Tier 2 Operators</b>	<b>16.52% (2)</b>	<b>\$ 3,534,409</b>	<b>\$ 133,195</b>	<b>\$ 2,332,396</b>	<b>\$ 6,000,000</b>	
<b>Actual Allocation</b>							
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	<b>Total</b>		<b>\$ 3,534,409</b>	<b>\$ 133,195</b>	<b>\$ 2,332,396</b>	<b>\$ 6,000,000</b>	

	<b>Prop A Incentive Allocation:</b>	<b>Before Tier 2 GOI Allocation</b>	<b>GOI Allocation Deduction</b>	<b>Net Prop A Incentive Allocation</b>
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	<b>Total</b>	<b>\$ 1,896,242</b>	<b>\$ (313,256)</b>	<b>\$ 1,582,986</b>

**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.

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**ATTACHMENT A**

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Proposed

Bus Transit Subsidies  
**FEDERAL FORMULA GRANTS**

Proposed

**Los Angeles County Metropolitan Transportation Authority  
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**ATTACHMENT A**

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

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**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	
<b>Included Operators:</b>										
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
<b>Municipal Operators:</b>										
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
<b>Eligible Operators:</b>										
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
<b>Tier 2 Operators:</b>										
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 <b>Grand Total</b>	<b>\$ 238,928,271</b>	<b>\$ -</b>	<b>\$ 238,928,271</b>	<b>\$ 22,023,612</b>	<b>\$ -</b>	<b>\$ 22,023,612</b>	<b>\$ 84,267,774</b>	<b>\$ -</b>	<b>\$ 84,267,774</b>	<b>\$ 345,219,657</b>

**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.

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**ATTACHMENT A**

**FEDERAL SECTION 5307 CAPITAL ALLOCATION**

<b>CAPITAL ALLOCATION % SHARE CALCULATION</b>												
<b>OPERATOR</b>	<b>MILEAGE CALCULATION</b>				<b>ACTIVE FLEET CALCULATION</b>							
	<b>Local Vehicle Miles [Input]</b>	<b>Express Vehicle Miles [Input]</b>	<b>Total Miles Weighted 60% Local/ 40% Express</b>	<b>1/3 Weight</b>	<b>Active Fleet (1) [Input]</b>	<b>Peak Bus Fixed Route (2) [Input]</b>	<b>Allowable Peak Bus (Peak+20%)</b>	<b>DAR Seats (3) [Input]</b>	<b>Bus Eqvt. (44 Seats per Bus)</b>	<b>Total Active Vehicle</b>	<b>1/3 Weight</b>	
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 <b>TOTAL</b>	<b>125,717,852</b>	<b>18,931,843</b>	<b>83,003,448</b>	<b>33.3333%</b>	<b>3,878</b>	<b>3,161</b>	<b>3,770.6</b>	<b>897</b>	<b>20.4</b>	<b>3,791.0</b>	<b>33.3333%</b>	

**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.

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<b>CAPITAL ALLOCATION % SHARE CALCULATION (Continued)</b>									
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 <b>TOTAL</b>	<b>\$335,964,658</b>		<b>211,925,038</b>	<b>16.6667%</b>	<b>417,259,129</b>	<b>16.6667%</b>	<b>100.0000%</b>	<b>0.0000%</b>	<b>100.0000%</b>

**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 <b>Total</b>	<b>60,460,361</b>	<b>100.0000%</b>	<b>1.8672%</b>	<b>20,651,329</b>	<b>100.0000%</b>	<b>1.8499%</b>

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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 <b>TOTAL</b>	<b>100.0000%</b>	<b>\$ 200,722,778</b>		<b>\$ 2,783,825</b>		<b>\$ 35,421,668</b>	<b>\$ 238,928,271</b>	<b>\$ -</b>	<b>\$ (0)</b>	<b>\$ 238,928,271</b>

**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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<b>FEDERAL SECTION 5339 - BUS AND BUS CAPITAL ALLOCATION</b>				
<b>(Estimated - to be Adjusted to Actual apportionment)</b>				
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 <b>TOTAL</b>	<b>100.0000%</b>	<b>\$ 22,023,612</b>	<b>\$ -</b>	<b>\$ 22,023,612</b>

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<b>FEDERAL SECTION 5337 - STATE OF GOOD REPAIR</b>										
<b>(Estimated - to be Adjusted to Actual apportionment)</b>										
<b>LOS ANGELES COUNTY SHARE (UZA 2)</b>	<b>Directional Route Miles (DRM) Allocation</b>			<b>Vehicle Revenue Miles (VRM) Allocation</b>			<b>Total \$ Allocation</b>	<b>Fund Exchange</b>	<b>Net Funds Available</b>	
	<b>OPERATOR</b>	<b>DRM</b>	<b>DRM%</b>	<b>DRM \$Allocation</b>	<b>VRM</b>	<b>VRM%</b>				<b>VRM \$Allocation</b>
<b>High Intensity Fixed Guideway:</b>										
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
<b>High Intensity Motorbus:</b>										
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	<b>Total LA County Share - UZA 2</b>	<b>609.90</b>		<b>\$ 31,220,602</b>	<b>27,657,766</b>	<b>200.000%</b>	<b>\$ 53,047,172</b>	<b>\$ 84,267,774</b>	<b>\$ -</b>	<b>\$ 84,267,774</b>

PRC

**LOCAL SUBSIDIES**

Proposed

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**ATTACHMENT A**

<b>PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS</b>		
<b>(In Order of Priority)</b>		
		<b>FY18 Allocation</b>
<b>PRIORITY I: EXISTING SUB-REGIONAL PARATRANSIT PROJECTS:</b>		
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
<b>PRIORITY II: SERVICES THAT RECEIVE GROWTH OVER INFLATION</b>		
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	<b>PRIORITY III: APPROVED EXISTING EXPANDED PARATRANSIT</b>	\$ -
30	<b>PRIORITY IV: APPROVED NEW EXPANDED PARATRANSIT SERVICES</b>	\$ -

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<b>PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS (Continued)</b>				
<b>(In Order of Priority)</b>				
<b>Priority V: VOLUNTARY NTD DATA REPORTING:</b>				
<b>FY16 NTD Report Year</b>		<b>Estimate</b>	<b>Tier 2 Deduction (1)</b>	<b>FY18 Net Allocation</b>
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	<b>Sub-Total</b>	<b>\$ 4,247,355</b>	<b>\$ 313,256</b>	<b>\$ 3,934,099</b>

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<b>PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS (Continued)</b> (In Order of Priority)			
<b>PRIORITY VI: SPECIAL DEMONSTRATION PROJECTS</b>			
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
<b>82</b>	<b>Total Estimated Revenue</b>		<b>15,240,593</b>
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.

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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 <sup>(1)</sup>	Population as % of County	Proposition A Local Return Estimate <sup>(3)</sup>	Proposition C Local Return Estimate <sup>(3)</sup>	Measure R Local Return Estimate <sup>(3)</sup>	Measure M Local Return Estimate <sup>(2)</sup>	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 GLENDORA	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

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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 <sup>(1)</sup>	Population as % of County	Proposition A Local Return Estimate <sup>(3)</sup>	Proposition C Local Return Estimate <sup>(3)</sup>	Measure R Local Return Estimate <sup>(3)</sup>	Measure M Local Return Estimate <sup>(2)</sup>	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 LAWSDALE	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 <sup>(1)</sup>	Population as % of County	Proposition A Local Return Estimate <sup>(3)</sup>	Proposition C Local Return Estimate <sup>(3)</sup>	Measure R Local Return Estimate <sup>(3)</sup>	Measure M Local Return Estimate <sup>(2)</sup>	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			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	219,611	8,438,112	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	109,504	4,207,471	66,787,845
90 <b>TOTAL</b>	<b>10,241,335</b>	<b>100.0000%</b>	<b>\$190,475,000</b>	<b>\$157,994,000</b>	<b>\$118,495,449</b>	<b>\$127,580,155</b>	<b>\$7,870,055</b>	<b>649,959</b>	<b>\$24,973,370</b>	<b>\$ 627,388,029</b>

**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 (SCR TTC) from the 15% discretionary fund. SCR TTC 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
<b>Expenses</b>				
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%
<b>Total Operating Costs</b>	<b>\$ 153,772.0</b>	<b>\$ 165,731.0</b>	<b>\$ 11,959.0</b>	<b>7.8%</b>
Total Capital Costs	\$ 9,430.0	\$ 10,100.0	\$ 670.0	7%
<b>Total Expenses</b>	<b>\$ 163,202.0</b>	<b>\$ 175,831.0</b>	<b>\$ 12,629.0</b>	<b>7.7%</b>

**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.

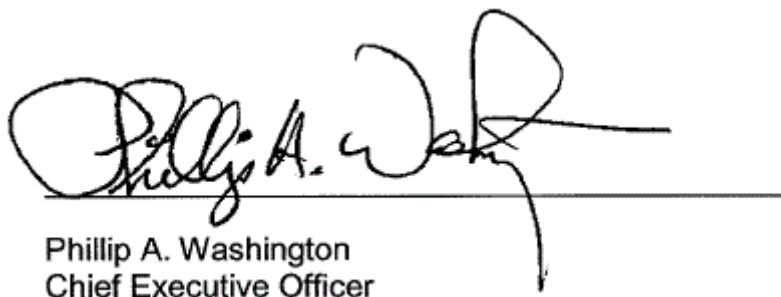
Attachment A - Access Funding Sources for Fiscal Year 2017-2018

Prepared by:

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(213) 922-2835

Reviewed by:

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



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Phillip A. Washington  
Chief Executive Officer



ATTACHMENT A

Access Funding Sources – Fiscal Year 2017-2018

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



**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**

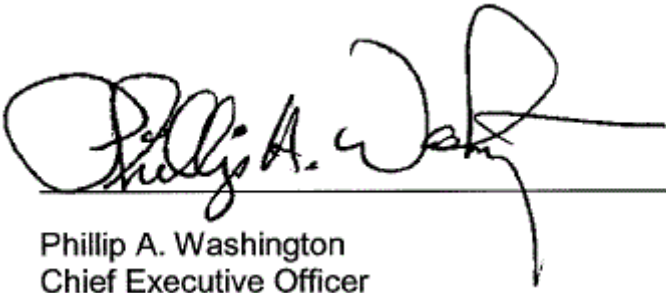
Once Caltrans reviews and approves the Board-adopted resolution and documentation of the hearing process, we will receive TDA Article 8 funds to allocate to the recipient local jurisdictions.

## **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



Phillip A. Washington  
Chief Executive Officer

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**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			
<b>Total</b>	<b>649,959</b>	<b>100.00%</b>	<b>\$ 24,973,370</b>
		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.

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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
<b>1</b>	<b>General increase in service, including longer hours, higher frequency, and/or more days of operation</b>		
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	
<b>2</b>	<b>Scheduling, reliability, transfer coordination</b>		
<b>3</b>	<b>Demand responsive service, Dial-a-Ride availability</b>		
<b>4</b>	<b>Bus Maintenance issues*</b>		
<b>5</b>	<b>Security issues (Park-N-Ride lots, bus stops &amp; buses). Include safety measures of surveillance.</b>		
<b>6</b>	<b>Fare issues / Bus scripts</b>		
<b>7</b>	<b>Park-N-Ride, Bus Stop, bus shelter issues, signage and amenities</b>		
<b>8</b>	<b>Metrolink issues</b>		
8.1	Maintain weekday and Saturday service	1	
8.2	Weekend busses need to stop at the top of station	1	
<b>9</b>	<b>Other issues: better public information needed, bus improvements, upgrades, increase fleet, bus tokens, transit center</b>		
<b>10</b>	<b>Other, statement - Support</b>		
10.1	Excellent transit apps	1	
10.2	Transportation needs are met	1	
10.3	Integration of Google Maps	1	
<b>11</b>	<b>Avalon - support*</b>		
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	
	<b>Total -</b>	<b>12</b>	

**Total of 12 comments taken from verbal and written comments by 3 individuals**



## Board of Directors

### Chairman

Marvin Crist  
*City of Lancaster*

### Vice Chair

Dianne M. Knippel  
*County of Los Angeles*

### Director

Steven D. Hofbauer  
*City of Palmdale*

### Director

Austin Bishop  
*City of Palmdale*

### Director

Angela E. Underwood-Jacobs  
*City of Lancaster*

### Director

Michelle Flanagan  
*County of Los Angeles*

### 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 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](http://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**

<b>Proposition C 10% - Operations</b>	<b>Recommended Amount</b>
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
<b>Subtotal Proposition C 10%</b>	<b>\$77,441,839</b>
<b>Measure R 3% - Capital</b>	
Rail Car Overhaul	\$6,819,000
<b>Subtotal Measure R 3%</b>	<b>\$6,819,000</b>
<b>Total New Metrolink Programming</b>	<b>\$84,260,839</b>

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.

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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,

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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

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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
<b>Revenues</b>						
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
<b>Total Revenues FY18 Budget</b>	<b>\$100,646</b>	<b>\$51,219</b>	<b>\$25,671</b>	<b>\$8,433</b>	<b>\$12,124</b>	<b>\$3,199</b>
<b>Expenses</b>						
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
<b>Total Expense FY18 Budget</b>	<b>\$243,045</b>	<b>\$122,877</b>	<b>\$53,910</b>	<b>\$26,139</b>	<b>\$27,084</b>	<b>\$13,035</b>
<b>Total FY18 Budget Subsidy by Member</b>	<b>\$142,399</b>	<b>\$71,659</b>	<b>\$28,239</b>	<b>\$17,705</b>	<b>\$14,960</b>	<b>\$9,836</b>
<b>FY 2016-17 Budget Subsidy by Member</b>	<b>\$141,989</b>	<b>\$71,998</b>	<b>\$28,294</b>	<b>\$17,345</b>	<b>\$14,841</b>	<b>\$9,511</b>
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 1<sup>st</sup> 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
<b>Total All-Share</b>	<b>\$ 12,977</b>	<b>\$ 5,409</b>	<b>\$ 3,033</b>	<b>\$ 3,934</b>	<b>\$ 1,967</b>	<b>\$ 26,144</b>	<b>\$ 53,464</b>
<b>Total Line-Specific</b>	<b>\$ 26,802</b>	<b>\$ 1,936</b>	<b>\$ 50</b>	<b>\$ 3,340</b>	<b>\$ 3,155</b>	<b>\$ 812</b>	<b>\$ 36,095</b>
<b>Proposed Rotem Repayments</b>	<b>\$ 5,409</b>	<b>\$ (6,059)</b>		<b>\$ 650</b>			<b>\$ -</b>
<b>Grand Total</b>	<b>\$ 45,189</b>	<b>\$ 1,286</b>	<b>\$ 3,083</b>	<b>\$ 7,924</b>	<b>\$ 5,122</b>	<b>\$ 26,956</b>	<b>\$ 89,559</b>

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

<b>FY18 Capital Project Allocation by Funding Source</b>							(000s)
<b>Asset / Funding Source</b>	<b>Metro</b>	<b>OCTA</b>	<b>RCTC</b>	<b>SBCTA</b>	<b>VCTC</b>	<b>Other</b>	<b>Total</b>
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
<b>Total All-Share</b>	<b>\$ 2,507</b>	<b>\$ 1,045</b>	<b>\$ 586</b>	<b>\$ 760</b>	<b>\$ 380</b>		<b>\$ 5,278</b>
<b>Grand Total</b>	<b>\$ 2,507</b>	<b>\$ 1,045</b>	<b>\$ 586</b>	<b>\$ 760</b>	<b>\$ 380</b>		<b>\$ 5,278</b>

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
<b>Revenues</b>						
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
<b>Total Revenues FY18 Budget</b>	<b>\$100,646</b>	<b>\$51,219</b>	<b>\$25,671</b>	<b>\$8,433</b>	<b>\$12,124</b>	<b>\$3,199</b>
<b>Expenses</b>						
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
<b>Total Expense FY18 Budget</b>	<b>\$243,045</b>	<b>\$122,877</b>	<b>\$53,910</b>	<b>\$26,139</b>	<b>\$27,084</b>	<b>\$13,035</b>
<b>Total FY18 Budget Subsidy by Member</b>	<b>\$142,399</b>	<b>\$71,659</b>	<b>\$28,239</b>	<b>\$17,705</b>	<b>\$14,960</b>	<b>\$9,836</b>
<b>FY 2016-17 Budget Subsidy by Member</b>	<b>\$141,989</b>	<b>\$71,998</b>	<b>\$28,294</b>	<b>\$17,345</b>	<b>\$14,841</b>	<b>\$9,511</b>
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	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	%
<b>Operating Revenue</b>							
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%
<b>Subtotal-Pro Forma FareBox</b>	<b>85,673</b>	<b>83,134</b>	<b>84,524</b>	<b>84,582</b>	<b>85,159</b>	<b>577</b>	<b>0.7%</b>
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%)
<b>Subtotal Operating Revenue</b>	<b>101,394</b>	<b>99,207</b>	<b>99,507</b>	<b>101,825</b>	<b>100,646</b>	<b>(1,179)</b>	<b>(1.2%)</b>
<b>Operating Expenses</b>							
<b>Operations &amp; Services</b>							
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%)
<b>Subtotal Operations &amp; Services</b>	<b>125,528</b>	<b>131,602</b>	<b>128,223</b>	<b>144,153</b>	<b>143,234</b>	<b>(919)</b>	<b>(0.6%)</b>
<b>Maintenance-of-Way</b>							
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%)
<b>Subtotal Maintenance-of-Way</b>	<b>29,475</b>	<b>34,278</b>	<b>39,453</b>	<b>39,592</b>	<b>41,607</b>	<b>2,015</b>	<b>5.1%</b>
<b>Administration &amp; Services</b>							
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%
<b>Subtotal Admin &amp; Services</b>	<b>27,694</b>	<b>27,946</b>	<b>32,651</b>	<b>36,726</b>	<b>40,289</b>	<b>3,563</b>	<b>9.7%</b>
<b>Contingency (Non-Train Ops)</b>	<b>21</b>	<b>14</b>	<b>47</b>	<b>502</b>	<b>252</b>	<b>(250)</b>	<b>(49.8%)</b>
<b>Total Operating Expenses</b>	<b>182,718</b>	<b>193,839</b>	<b>200,374</b>	<b>220,973</b>	<b>225,382</b>	<b>4,409</b>	<b>2.0%</b>
<b>Insurance Expense/(Revenue)</b>							
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
<b>Net Insurance Expense</b>	<b>16,273</b>	<b>15,625</b>	<b>15,909</b>	<b>16,787</b>	<b>17,663</b>	<b>876</b>	<b>5.2%</b>
<b>Total Expense Before BNSF</b>	<b>198,991</b>	<b>209,464</b>	<b>216,283</b>	<b>237,760</b>	<b>243,045</b>	<b>5,285</b>	<b>2.2%</b>
<b>Loss Before BNSF</b>	<b>(97,598)</b>	<b>(110,257)</b>	<b>(116,776)</b>	<b>(135,934)</b>	<b>(142,399)</b>	<b>(6,465)</b>	<b>4.8%</b>
<b>Member Subsidies</b>							
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%
<b>Member Subsidies - Normal Ops</b>	<b>100,354</b>	<b>109,930</b>	<b>127,082</b>	<b>135,934</b>	<b>142,399</b>	<b>6,465</b>	<b>4.8%</b>
<b>Surplus / (Deficit) Before BNSF</b>	<b>2,757</b>	<b>(328)</b>	<b>10,306</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>N/A</b>

(\$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
<b>Total BNSF Lease Loco Expenses</b>	-	-	<b>10,397</b>	<b>6,055</b>	-	<b>(6,055)</b>	<b>(100.0%)</b>
<b>Member Subsidies - BNSF Lease</b>	-	-	<b>11,545</b>	<b>6,055</b>	-	<b>(6,055)</b>	<b>(100.0%)</b>
<b>Surplus / (Deficit) - BNSF Lease</b>	-	-	<b>1,148</b>	-	-	-	<b>N/A</b>

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

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
<b>Operating Revenue</b>						
Farebox Revenue	83,897	40,769	22,453	7,759	10,512	2,404
Metro Fare Reduction Subsidy	1,262	1,262	-	-	-	-
<b>Subtotal-Pro Forma FareBox</b>	<b>85,159</b>	<b>42,031</b>	<b>22,453</b>	<b>7,759</b>	<b>10,512</b>	<b>2,404</b>
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
<b>Subtotal Operating Revenue</b>	<b>100,646</b>	<b>51,219</b>	<b>25,671</b>	<b>8,433</b>	<b>12,124</b>	<b>3,199</b>
<b>Operating Expenses</b>						
<b>Operations &amp; Services</b>						
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
<b>Subtotal Operations &amp; Services</b>	<b>143,234</b>	<b>72,034</b>	<b>33,816</b>	<b>15,823</b>	<b>15,403</b>	<b>6,159</b>
<b>Maintenance-of-Way</b>						
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
<b>Subtotal Maintenance-of-Way</b>	<b>41,607</b>	<b>22,046</b>	<b>8,446</b>	<b>3,200</b>	<b>5,458</b>	<b>2,458</b>
<b>Administration &amp; Services</b>						
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
<b>Subtotal Admin &amp; Services</b>	<b>40,289</b>	<b>19,261</b>	<b>7,314</b>	<b>5,736</b>	<b>4,172</b>	<b>3,806</b>
<b>Contingency (Non-Train Ops)</b>	<b>252</b>	<b>119</b>	<b>43</b>	<b>38</b>	<b>26</b>	<b>26</b>
<b>Total Operating Expenses</b>	<b>225,382</b>	<b>113,460</b>	<b>49,620</b>	<b>24,796</b>	<b>25,058</b>	<b>12,448</b>
<b>Insurance Expense/(Revenue)</b>						
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	-	-	-	-	-	-
<b>Net Insurance Expense</b>	<b>17,663</b>	<b>9,418</b>	<b>4,290</b>	<b>1,342</b>	<b>2,026</b>	<b>586</b>
<b>Total Expense Before BNSF</b>	<b>243,045</b>	<b>122,877</b>	<b>53,910</b>	<b>26,139</b>	<b>27,084</b>	<b>13,035</b>
<b>Loss Before BNSF</b>	<b>(142,399)</b>	<b>(71,659)</b>	<b>(28,239)</b>	<b>(17,705)</b>	<b>(14,960)</b>	<b>(9,836)</b>



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>	
<b>Total Operational Expense Budget Increase</b>	<b>\$</b>	<b><u>(0.8)</u></b>	<b>(0.3%)</b>

**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.*

**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
<b>FY15 vs FY16</b>						
\$ 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%
<b>FY16 vs FY17</b>						
\$ 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%
<b>FY17 vs FY18</b>						
\$ 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
		\$	<u>0.4</u>

SCRRRA 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 \$187,834,954  
 • 4 Capital Projects at \$15,378,400



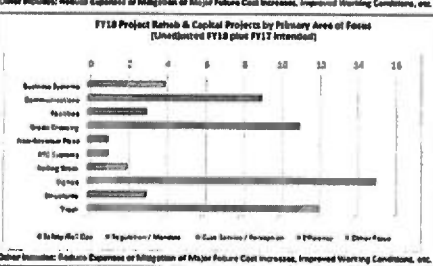
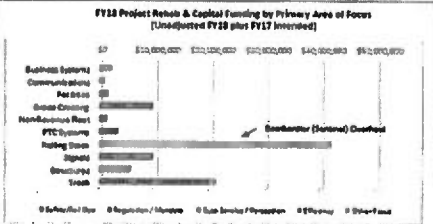
**Constrained Project Request Totals**  
 • 49 FY18 Rehab Projects at \$38,160,753  
 • 6 FY17 Inherited Rehab Projects at \$31,262,714  
 • 2 FY18 Capital Projects at \$3,277,900  
 • 1 FY17 Inherited Capital Project at \$2,300,000 (Phase 1 only)



**Adjusted Project Request Totals**  
 (Less Alternate Funding Sources)  
 • 37 FY17+FY18 Rehab Projects at \$62,803,051  
 • 3 FY17-FY18 Capital Projects at \$3,277,900 (Phase 1 only)

**Other Funding Sources**  
 • \$25,162,778 Santral Rehab Project  
 • \$20,267M Prop 1A (11 including funds required)  
 Note: Prop 1A funds are to be awarded beginning in 2019 if the project does not proceed in the near term.  
 • \$4.77M P14MSEA  
 • \$1.1277M Insurance Settlement  
 • \$31,000 San Gabriel Tunnel Project  
 • \$412,000 of State TCRP Funds  
 • If funds are not awarded LACMTA's funding requirement increased by \$24,800,000 and SBCTA's funding requirement increased by \$24,800,000

FY2018 Rehab Projects					
Asset Type	# of Critical Projects	Intended FY17	Estimated FY18 Funding	Adjust. for Other Funding Sources	Adjusted Project FY18 Funds Requested
Business Systems	3	-	\$1,818,900	-	\$1,818,900
Communications	9	-	\$675,000	-	\$675,000
Facilities	3	-	\$1,349,820	-	\$1,349,820
Grade Crossing (FY17)	4	\$5,091,700	-	-	\$5,091,700
Grade Crossing (new)	7	-	\$3,788,440	-	\$3,788,440
Non-Revenue Fleet	3	-	\$1,189,100	-	\$1,189,100
Rolling Stock (FY17)	1	\$40,500,000	-	(\$26,143,776)	\$14,356,224
Rolling Stock (new)	1	-	\$1,100,000	-	\$1,100,000
Signals	35	-	\$9,459,930	-	\$9,459,930
Structures	4	-	\$5,314,078	-	\$5,314,078
Track (FY17)	1	\$5,308,174	-	(\$812,000)	\$4,496,174
Track (new)	7	-	\$19,527,990	-	\$19,527,990
<b>Totals</b>	<b>58 (49 new)</b>	<b>\$51,942,074</b>	<b>\$18,196,753</b>	<b>(\$26,955,776)</b>	<b>\$42,803,051</b>
FY2018 Capital Projects					
Asset Type	# of Critical Projects	Intended from FY17	Estimated FY18 Funding	Adjust. for Other Funding Sources	Adjusted Project FY18 Funds Requested
Business Systems	1	-	\$207,500	-	\$207,500
Communications	1	-	\$3,070,000	-	\$3,070,000
Track (FY17 - Phase 1 only)	1	\$2,000,000	-	-	\$2,000,000
<b>Totals</b>	<b>3 (2 new)</b>	<b>\$2,000,000</b>	<b>\$3,277,900</b>	<b>\$0</b>	<b>\$5,277,900</b>
<b>Grand Total</b>			<b>\$24,836,727</b>	<b>(\$26,955,776)</b>	<b>\$47,880,951</b>



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	\$683,978	\$161,352	\$703,898	\$26,822	\$190,964	\$0	\$2,813,900
Communications	\$492,540	\$169,640	\$41,100	\$64,400	\$9,700	\$0	\$879,000
Facilities	\$1,139,677	\$79,065	\$44,325	\$37,823	\$28,751	\$0	\$1,949,621
Grade Crossing	\$6,591,817	\$669,854	\$59,052	\$1,388,847	\$920,470	\$0	\$9,640,140
Non-Revenue Fleet	\$652,470	\$2,81,994	\$128,204	\$167,486	\$43,745	\$0	\$1,368,100
Rolling Stock	\$2,341,706	\$5,969,943	\$1,713,641	\$2,228,896	\$1,112,846	\$26,143,778	\$41,809,079
Signals	\$8,649,175	\$1,319,457	\$548,171	\$648,290	\$282,777	\$0	\$9,459,930
Structures	\$4,189,075	\$1,319,600	\$0	\$0	\$0	\$0	\$5,508,675
Track	\$12,939,164	\$5,99,014	\$922,194	\$2,348,219	\$1,899,763	\$812,000	\$18,716,144
<b>Total All-Areas</b>	<b>\$12,977,149</b>	<b>\$5,408,432</b>	<b>\$1,092,553</b>	<b>\$3,934,279</b>	<b>\$1,997,063</b>	<b>\$26,143,778</b>	<b>\$59,464,080</b>
<b>Total Use-Only</b>	<b>\$18,902,089</b>	<b>\$1,935,540</b>	<b>\$50,000</b>	<b>\$3,340,934</b>	<b>\$2,154,810</b>	<b>\$812,000</b>	<b>\$26,094,737</b>
<b>Proposed Program Reimbursements</b>	<b>\$8,469,432</b>			<b>\$448,984</b>			<b>\$8,918,416</b>
<b>Grand Total</b>	<b>\$45,184,625</b>	<b>\$1,289,966</b>	<b>\$8,092,553</b>	<b>\$7,924,059</b>	<b>\$5,172,873</b>	<b>\$26,955,776</b>	<b>\$89,358,927</b>

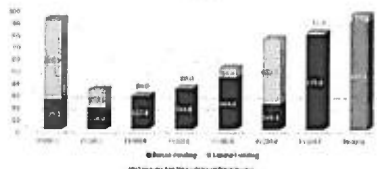
FY18 Capital Project Allocation by Funding Source

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	\$96,778	\$41,354	\$78,077	\$16,888	\$14,669	\$207,800
Track	\$998,000	\$395,000	\$212,000	\$288,000	\$444,000	\$2,000,000
PTC Systems	\$3,466,250	\$607,260	\$840,710	\$447,000	\$827,000	\$6,000,000
<b>Total All-Areas</b>	<b>\$5,069,028</b>	<b>\$1,043,614</b>	<b>\$1,860,847</b>	<b>\$1,651,018</b>	<b>\$1,405,739</b>	<b>\$9,970,246</b>
<b>Grand Total</b>	<b>\$5,567,056</b>	<b>\$1,043,614</b>	<b>\$1,860,847</b>	<b>\$1,651,018</b>	<b>\$1,405,739</b>	<b>\$11,534,274</b>



### Funding Trends

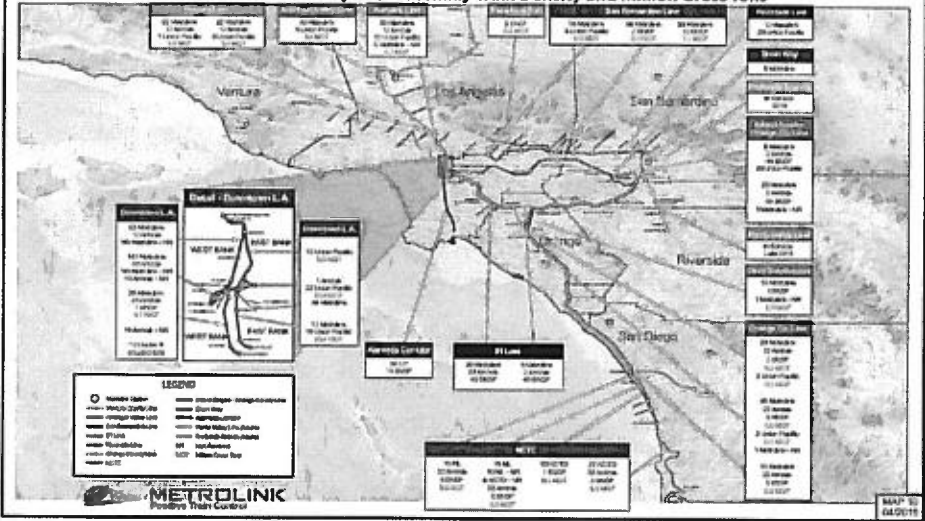
Rehabilitation and Capital Funding per Fiscal Year  
FY2013 to FY2017



### Standard Project Allocations

Asset Category (A)	LA County	San Gabriel	San Bernardino	San Diego	San Joaquin Hills
Rolling Stock	47.50%	19.80%	11.10%	14.40%	7.20%
Signal	0.00%	0.00%	0.00%	0.00%	100.00%
Other	0.00%	100.00%	0.00%	0.00%	0.00%
Change	0.00%	100.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%
Facilities	100.00%	0.00%	0.00%	0.00%	0.00%
Hardware	0.00%	0.00%	0.00%	100.00%	0.00%
Radio	0.00%	0.00%	0.00%	100.00%	0.00%
Power	47.50%	19.80%	11.10%	14.40%	7.20%
Other Sub - Last Bank	47.50%	19.80%	11.10%	14.40%	7.20%
Other Sub - West Bank	47.50%	19.80%	11.10%	14.40%	7.20%
Revenue	0.00%	0.00%	100.00%	0.00%	0.00%
San Gabriel - LA County	100.00%	0.00%	0.00%	0.00%	0.00%
San Gabriel - SD County	0.00%	0.00%	0.00%	100.00%	0.00%
San Joaquin Hills (PVI)	0.00%	0.00%	100.00%	0.00%	0.00%
LA Shortline	0.00%	0.00%	0.00%	100.00%	0.00%
LA County	100.00%	0.00%	0.00%	0.00%	0.00%
Ventura - LA County	100.00%	0.00%	0.00%	0.00%	0.00%
Ventura - UT County	0.00%	0.00%	0.00%	0.00%	100.00%

### SCRRRA Service Territory 2015 Weekday Train Density and Million Gross Tons



### FY18 Rehab Projects by Subdivision (Includes Other Funding Sources)

Asset	Allocated Across All Counties (Includes San Bernardino)		Other	Change	Ventura County Total	Riverside County (Including San Jacinto, PVA)			Antelope Valley/Ventura Line within LA County		Ventura Line within LA County	Los Angeles County Total		Ventura County Total	Grand Total
	LA County	San Bernardino				San Gabriel 60/40	Antelope Valley	Antelope Valley/Ventura Line within LA County	LA County	LA County		LA County			
Business Systems	\$1,818,900														\$1,818,900
Communications	\$100,000		\$75,000	\$75,000	\$145,000	\$50,000	\$175,000	\$100,000		\$50,000		\$275,000	\$200,000	\$475,000	
Facilities	\$399,320				\$399,320			\$950,000				\$950,000		\$1,349,320	
Grade Crossing	\$531,800			\$550,500	\$1,082,300		\$1,023,420	\$1,606,180		\$2,829,600		\$7,458,360	\$891,580	\$8,349,940	
Non-Revenue Fleet	\$1,163,800				\$1,163,800									\$1,163,800	
Rolling Stock*	\$41,800,000				\$41,800,000									\$41,800,000	
Signal	\$9,129,570				\$9,129,570		\$911,940	\$2,792,460		\$919,480		\$3,617,880	\$113,400	\$3,731,280	
Structures				\$1,225,000	\$1,225,000			\$3,638,718		\$493,880		\$4,089,078		\$4,582,858	
Track*	\$2,722,400				\$2,722,400			\$4,065,250		\$250,800		\$4,316,050	\$14,314,214	\$18,630,264	
<b>Total by Subdivision</b>	<b>\$31,664,090</b>	<b>\$75,000</b>	<b>\$1,860,500</b>	<b>\$1,415,000</b>	<b>\$35,055,090</b>	<b>\$50,000</b>	<b>\$2,042,364</b>	<b>\$13,157,693</b>	<b>\$250,800</b>	<b>\$4,388,180</b>	<b>\$10,954,367</b>	<b>\$1,154,810</b>	<b>\$16,748,827</b>		

\*Other Funding Sources included in the subdivision allocation for Rolling Stock and Track

Numbers may not foot due to rounding.



PROJECT PROPOSALS FOR FY2018 REHABILITATION BUDGET - TIER A

Attachment G

PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	OCTA	RCTC	SBCTA	VCTC <sup>(1)</sup>	OTHER <sup>(2)</sup>
1231	Olive	Marginal	High	Communications	Wayside Communication System Replacement Parts - Olive	\$75,000		\$75,000				
	<b>Olive Total</b>					\$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				
	<b>Orange Total</b>					\$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		
	<b>San Gabriel 60 / 40 Total</b>					\$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			
	<b>San Jacinto (PVL) Total</b>					\$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 EL1A Logic Controller at CP Harrod	\$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 Harrod	\$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 <sup>(2)</sup>	OTHER <sup>(2)</sup>
<b>Valley Total</b>						\$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					
<b>Valley, Ventura - LA County Total</b>						\$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					
<b>Ventura - LA County Total</b>						\$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	
<b>Ventura - VC County Total</b>						\$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 <sup>(1)</sup>	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 <sup>(2)</sup>	OTHER <sup>(3)</sup>
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	
	<b>All Total</b>					<b>\$48,496,720</b>	<b>\$10,617,648</b>	<b>\$4,425,883</b>	<b>\$2,481,177</b>	<b>\$3,218,824</b>	<b>\$1,609,412</b>	<b>\$26,143,776</b>
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 ELIA 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	
	<b>River Total</b>					<b>\$4,967,370</b>	<b>\$2,359,501</b>	<b>\$983,539</b>	<b>\$551,378</b>	<b>\$715,301</b>	<b>\$357,651</b>	<b>\$0</b>
					<b>TOTAL ALL-SHARE</b>	<b>\$53,464,090</b>	<b>\$12,977,149</b>	<b>\$5,409,422</b>	<b>\$3,032,555</b>	<b>\$3,934,125</b>	<b>\$1,967,063</b>	<b>\$26,143,776</b>
					<b>TOTAL LINE-SPECIFIC</b>	<b>\$36,094,737</b>	<b>\$26,783,033</b>	<b>\$1,935,560</b>	<b>\$50,000</b>	<b>\$3,314,334</b>	<b>\$3,154,810</b>	<b>\$844,000</b>
					<b>TIER A TOTAL</b>	<b>\$89,558,827</b>	<b>\$39,740,183</b>	<b>\$7,344,982</b>	<b>\$3,082,555</b>	<b>\$7,248,459</b>	<b>\$5,121,873</b>	<b>\$26,987,776</b>
					Proposed Rotem Repayments <sup>(4)</sup>	\$0	\$5,409,422	(\$6,059,016)	\$0	\$649,594	\$0	\$0
					<b>NEW TIER A TOTAL</b>	<b>\$89,558,827</b>	<b>\$45,149,605</b>	<b>\$1,285,966</b>	<b>\$3,082,555</b>	<b>\$7,898,053</b>	<b>\$5,121,873</b>	<b>\$26,987,776</b>

**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 \$30.2M 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	ASST TYPE	PROJECT	TOTAL	Metro	DCFA	BCTC	RAMBAG	MCTC	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 4-5 years (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	
<b>TOTAL</b>							<b>\$5,277,900</b>	<b>\$2,507,003</b>	<b>\$1,045,024</b>	<b>\$585,847</b>	<b>\$760,018</b>	<b>\$380,009</b>	<b>\$0</b>

**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





PROJECT PROPOSALS FOR FY2019 REHABILITATION BUDGET

Attachment K

ORIGINALLY INTENDED	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	OCTA	ICTC	SBCTA	VCTC	OTHER (1)
FY18	1158	River	Worn	High	Signals	Rehab Signal System - Replace worn signals: 2W, 4WA, 4WB, 8W - 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 ECI at Int Signal 81/82 - 80 Sub	\$335,940	\$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	Retain 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	\$38,261,522		\$38,261,522				
FY18	159	San Gabriel 60 / 40	Marginal	High	Track	San Gabriel Subdivision Rail Rehab Program	\$6,268,800	\$3,761,280			\$2,507,520		
FY18	820	Pasadena	Worn	High	Grade Crossing	Rehab Worn Signal and Grade Crossing Cables - Pasadena Sub	\$357,480	\$357,480					
FY18	1272	River	Worn	High	Track	Replace turnouts on the River Subdivision	\$1,830,840	\$869,649	\$362,506	\$203,223	\$368,641	\$181,820	
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	\$59,321	\$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	\$37,500					\$37,500	
FY18	1245	Ventura - LA County	Marginal	High	Communications	Wayside Communication System Design, slot planning, interference mitigation - Ventura - LA County	\$37,500	\$37,500					
FY18	1255	San Gabriel 60 / 40	Marginal	High	Communications	Wayside Communication System Design, slot planning, interference mitigation - San Gabriel - SB County	\$37,500	\$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	\$37,500	\$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 Electrologix Units	\$1,534,320	\$728,802	\$303,795	\$170,310	\$220,942	\$110,471	
FY18	331	All	Worn	High	Stations	Station Signage Rehab	\$310,500	\$147,488	\$61,479	\$34,466	\$44,712	\$22,356	
FY18	328	All	Worn	High	Signals	Rehab AC Units	\$286,940	\$112,547	\$46,914	\$26,300	\$34,118	\$17,080	
FY18	1113	Ventura - VC County	Worn	High	Structures	Ventura Sub (Ven CO) Struct - Arroyo Simi Bridge	\$13,999,650					\$13,999,650	
FY18	306	San Gabriel 60 / 40	Worn	High	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year - SD 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	DTA	UIC	SBCTA	VCTC	OTHER (K)
FY18	1219	Ventura - VC County	Worn	High	Track	Ventura (VC) Track Rehabilitation	\$781,000						\$781,000
FY18	1152	San Gabriel 60 / 40	Worn	High	Signals	Signal System Rehab - Replace ECA Unit with ECS 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		\$366,940				\$200,000
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 ECA Unit with ECS 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	\$536,800	\$254,980	\$106,286	\$39,585	\$77,299		\$18,650
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	\$81,250	\$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	195	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)	\$130,000	\$90,000			\$40,000		
FY18	1248	Valley	Marginal	Low	Communications	Rehab Update CIS at Stations - Valley	\$130,000	\$130,000					
FY18	1250	Orange	Marginal	Low	Communications	Rehab Update CIS at Stations - Orange	\$130,000		\$130,000				
FY18	1251	San Gabriel 60 / 40	Marginal	Low	Communications	Rehab Update CIS at Stations - San Gabriel (LA County)	\$130,000	\$80,000			\$50,000		
FY18	1249	Ventura - VC County	Marginal	Low	Communications	Rehab Update CIS at Stations - Ventura - Ventura County	\$130,000						\$130,000
FY18	1253	Ventura - LA County	Marginal	Low	Communications	Rehab Update CIS at Stations - Ventura - LA County	\$130,000	\$130,000					
FY19	239	All	Worn	High	Stations	Station Signage Rehab	\$310,300	\$147,488	\$61,479	\$34,466	\$44,712		\$22,556
FY19	1120	All	Marginal	High	Rolling Stock	Bombardier (Sentinel) passenger rail cars Midlife Overhaul	\$40,500,000	\$19,237,500	\$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	1080	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	\$938,020	\$449,183	\$184,738	\$103,585	\$194,355		\$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	\$138,382		\$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	SCRA 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	SCRA Production Backoffice Systems Upgrades and Testing Support	\$547,000	\$259,825	\$104,306	\$60,717	\$78,784		\$39,384
FY19	1056	All	Marginal	Low	Facilities	Employee Communications System Upgrade	\$228,375	\$108,478	\$45,218	\$25,350	\$32,886		\$16,445
FY19	1224	All	Marginal	High	Signals	Backoffice Hardware & Software Replacement (DDC & 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 (8.33) 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	DCTA	RTTC	SBCTA	VCTC	OTHER (K)
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 (ATS) Instructors from RR Right of Way	\$667,800	\$317,205	\$132,234	\$74,126	\$96,163	\$48,082	
FY19	325	Pasadena	Worn	Low	Grade Crossing	Grade Crossing Rehab - 2 Locations per Year - Pasadena Sub	\$537,480	\$537,480					
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	1506	Pasadena	Worn	Low	Grade Crossing	Phase 2 - Rehabilitation of grade crossings on the Pasadena Subdivision	\$1,000,000	\$1,000,000					
<b>TOTAL</b>							<b>\$248,992,567</b>	<b>\$142,086,105</b>	<b>\$97,552,627</b>	<b>\$11,078,800</b>	<b>\$15,368,740</b>	<b>\$22,501,468</b>	<b>\$324,829</b>

PROJECT PROPOSALS FOR FY2020 REHABILITATION BUDGET

CARRIAGEWAY IMPROVEMENT	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	OCFA	BCFC	SBCTA	VCTC	OTHER (S)
	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	\$23,344
	FY20	1064	SB Shortway	Worn	Low	Facilities	Purchase electric train car mover for EMF	\$80,240				\$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 roll cars Midlife Overhaul	\$40,500,000	\$19,237,500	\$8,018,000	\$4,495,500	\$5,831,000	\$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 ECA Unit at CP Mission	\$346,940	\$184,797	\$68,894	\$38,510	\$49,959	\$74,980
	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	\$111,940	\$111,940				
	FY20	1236	AR	Worn	High	Laboratory Testing	SCRRA 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	SCRRA Production Backoffice Systems Upgrades and Testing Support	\$415,000	\$187,125	\$161,370	\$90,465	\$117,360	\$58,680
	FY20	1232	All	Marginal	High	Signals	Backoffice Hardware & Software Replacement (DOC & MDC)	\$553,500	\$162,913	\$109,503	\$61,439	\$79,704	\$89,851
	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	\$279,600	\$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				
<b>TOTAL</b>							<b>\$89,281,015</b>	<b>\$27,006,754</b>	<b>\$11,514,921</b>	<b>\$5,128,095</b>	<b>\$10,165,710</b>	<b>\$5,467,595</b>	

**PROJECT PROPOSALS FOR FY2019 CAPITAL BUDGET**

**Attachment M**

ORIGINALLY INTENDED	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	DCTA	RCTC	SJCTA	VCTC	OTHER [1]
FY18	219	AR	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	AR	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	AR	n/a	n/a	Facilities	Electric Vehicle Charging Stations	\$461,380	\$219,156	\$91,353	\$51,215	\$66,439	\$31,219	
FY19	215	Valley	n/a	n/a	Track	Palmdale Passing Siding	\$9,380,400	\$9,380,400					
<b>TOTAL</b>							<b>\$20,540,280</b>	<b>\$14,681,343</b>	<b>\$2,209,656</b>	<b>\$1,238,747</b>	<b>\$1,607,023</b>	<b>\$803,511</b>	

**PROJECT PROPOSALS FOR FY2020 CAPITAL BUDGET**

Attachment N

ORIGINALLY INTENDED	PROJECT #	SUBDIVISION	CONDITION	IMPACT	ASSET TYPE	PROJECT	TOTAL	Metro	OCTA	RCFC	SBCTA	VCFC	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	
<b>TOTAL</b>							<b>\$4,906,650</b>	<b>\$1,091,764</b>	<b>\$455,093</b>	<b>\$255,128</b>	<b>\$2,939,177</b>	<b>\$165,488</b>	

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 svers, 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, Bemson & 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		39	
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	F550 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	SCRRR 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/Gatesvers, Predictors, Batteries, Other Crossing Equipmer		54					54	
514012	PASADENA	Track	Pasadena Sub: Replace Timber Crossties.	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							595
516069	Systemwide	Facilities	Replace NDX2 Monitoring System				3	4		7
516110	Ventura - VC	Track	Ventura Sub (Ven Co) Rail Grinding						4	4
516111	Ventura - VC	Track	Ventura Sub (Ven Co) Rail Replacement						429	429
516120	Ventura - VC	Structures	Ventura Sub (Ven Co) Bridge & Culvert Rehab						468	468
516130	Ventura - VC	Signal	Ventura Sub (Ven Co) Signal Rehabilitation						76	76
516410	San Gabriel	Track	San Gabriel Sub Track Rehab				762			762
516511	Olive	Track	Olive Sub Replace Track Panels -	22						22
516530	Olive	Signal	Orange/Olive Sub Signal Engineering	209						209
516610	Orange	Track	Orange Sub Rail Grinding	189						189
516611	Orange	Track	Orange Sub Rail Replacement	1,617						1,617
516612	Orange	Track	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
517120	Ventura - VC	Structures	Bridge Rehab MP 438.85 Ventura Sub (Ven Co)						138	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





**NEW CAPITAL PROJECT BALANCES CARRIED INTO FISCAL YEAR 2018**

**Attachment P**

(\$000s)

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
<b>TOTALS</b>			<b>264,388</b>	<b>28,378</b>	<b>7,791</b>	<b>4,966</b>	<b>5,354</b>	<b>2,213</b>	<b>109,200</b>	<b>106,486</b>

# 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
<b>TOTAL Subsidy</b>	<b>\$84.1</b>	<b>\$107.2</b>

\* 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)
<b>Operations</b>	<b>\$ 71.7</b>	<b>\$71.7</b>
<b>Rehabilitation</b>	<b>\$ 45.2</b>	<b>\$6.8<sup>(1)</sup></b>
<b>Capital</b>	<b>\$ 2.5</b>	<b>\$ 0</b>
<b>Total</b>	<b>\$119.4</b>	<b>\$78.5</b>

(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



**Metro**


# 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	<b>\$31,864,316</b>	\$836,526	\$468,961	\$2,228,382	\$5,252,091	\$4,707,524		
Union Station Platform/Canopies	\$ 3,351,500	<b>\$ 1,225,811</b>	\$510,970	\$286,453	\$371,614	\$185,807		\$770,845	
Juniper-Serra Crossing	\$ 493,350	<b>\$ 296,010</b>			\$197,340				
Member Agency Shares	\$49,202,650	<b>\$33,386,137</b>	\$1,347,496	\$755,414	\$2,797,336	\$5,437,898	\$4,707,524	\$770,845	
Metro Board Approved Phase 1 Apr 2017 *		<b>\$18,381,025</b>	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)
<b>Total Operating Costs</b>	<b>\$223</b>	<b>\$230</b>	<b>\$244</b>	<b>\$243</b>
<b>Revenues</b>	<b>\$111</b>	<b>\$102</b>	<b>\$102</b>	<b>\$101</b>
<b>Difference (Member Agencies)</b>	<b>\$112</b>	<b>\$128</b>	<b>\$142</b>	<b>\$142</b>
<b>MTA Subsidy</b>	<b>\$ 60</b>	<b>\$ 65</b>	<b>\$72</b>	<b>\$72</b>



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





## Board Report

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File #: 2017-0370, File Type: Plan

Agenda Number: 15.

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### 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**



**Metro**

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

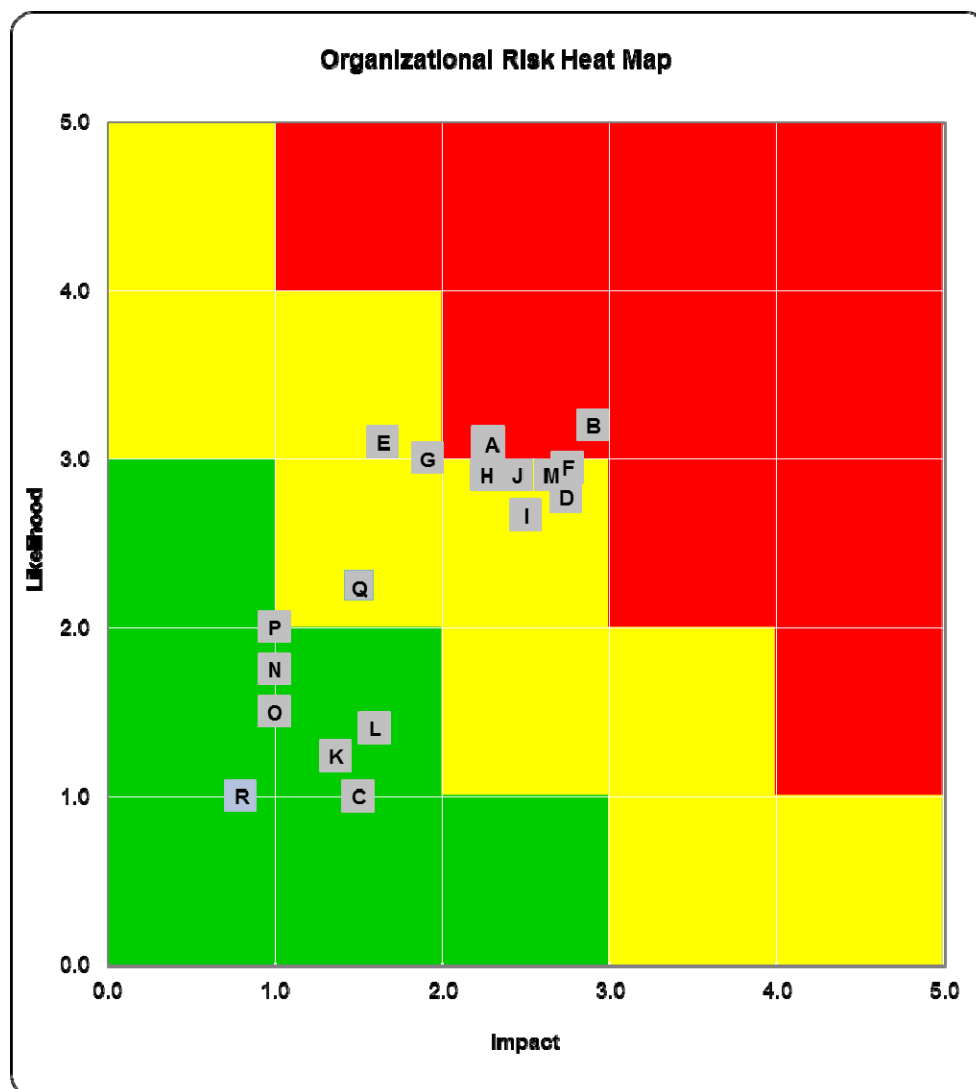
Instrumental to the development of the FY18 Audit Plan was completion of the FY17 agency-wide risk assessment. The agency-wide risk assessment is continually being refined and adjusted based upon events, issues identified during audits and agency priorities. The categorization of risks used corresponds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



A.	Labor/Employee Relations	J.	Information Technology
B.	Security & Law Enforcement	K.	Communications
C.	Congestion Reduction	L.	Extraordinary Innovation
D.	Vendor/Contract Management	M.	Metro Operations
E.	Civil Rights & EEO	O.	Alameda Corridor East
F.	Program Management	P.	Metrolink
G.	Planning & Development	Q.	Access Services
H.	Risk, Safety & Asset Mgmt.	R.	High Speed Rail
I.	Finance & Budget		

## 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.

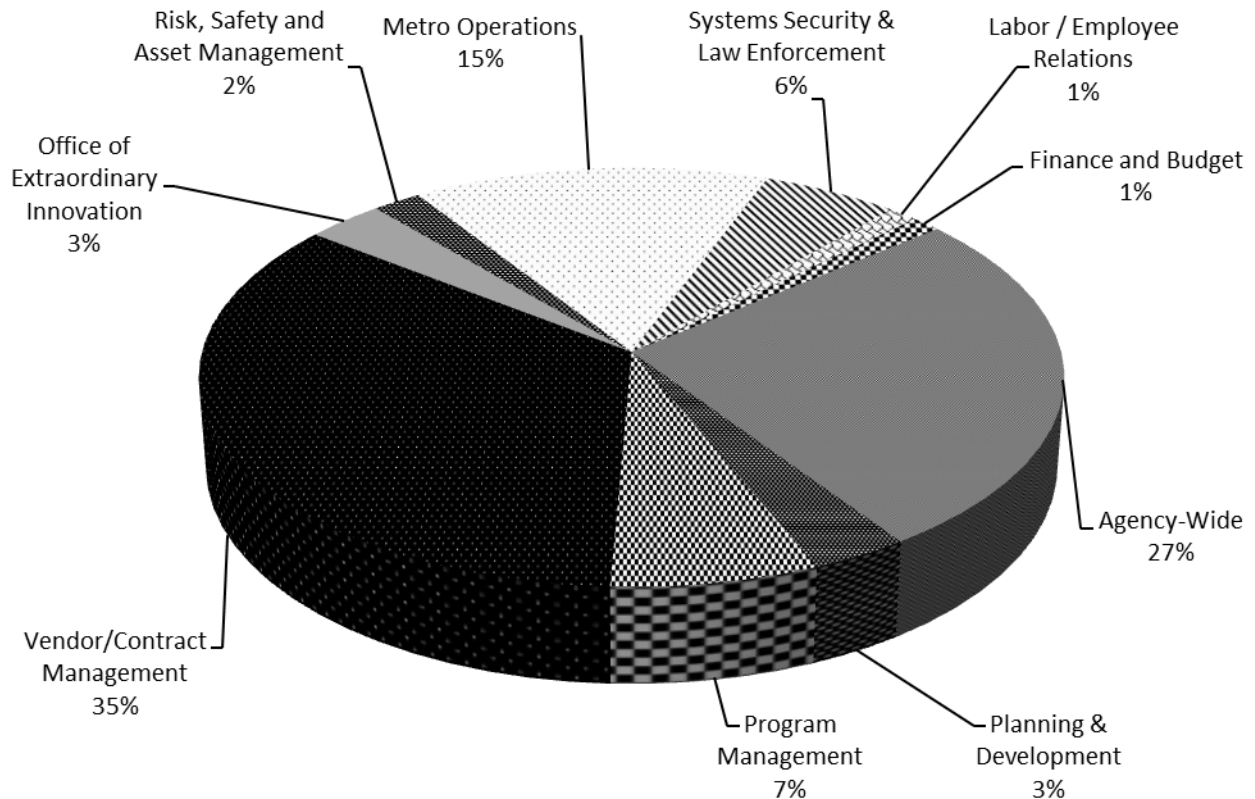
- 1) The ability to hire qualified technical and support staff and maintaining adequate staffing levels to complete projects, while improving overall performance, continues to be a pervasive concern throughout the Agency. The right number of staff with the right skillset is critical given the aging workforce 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.

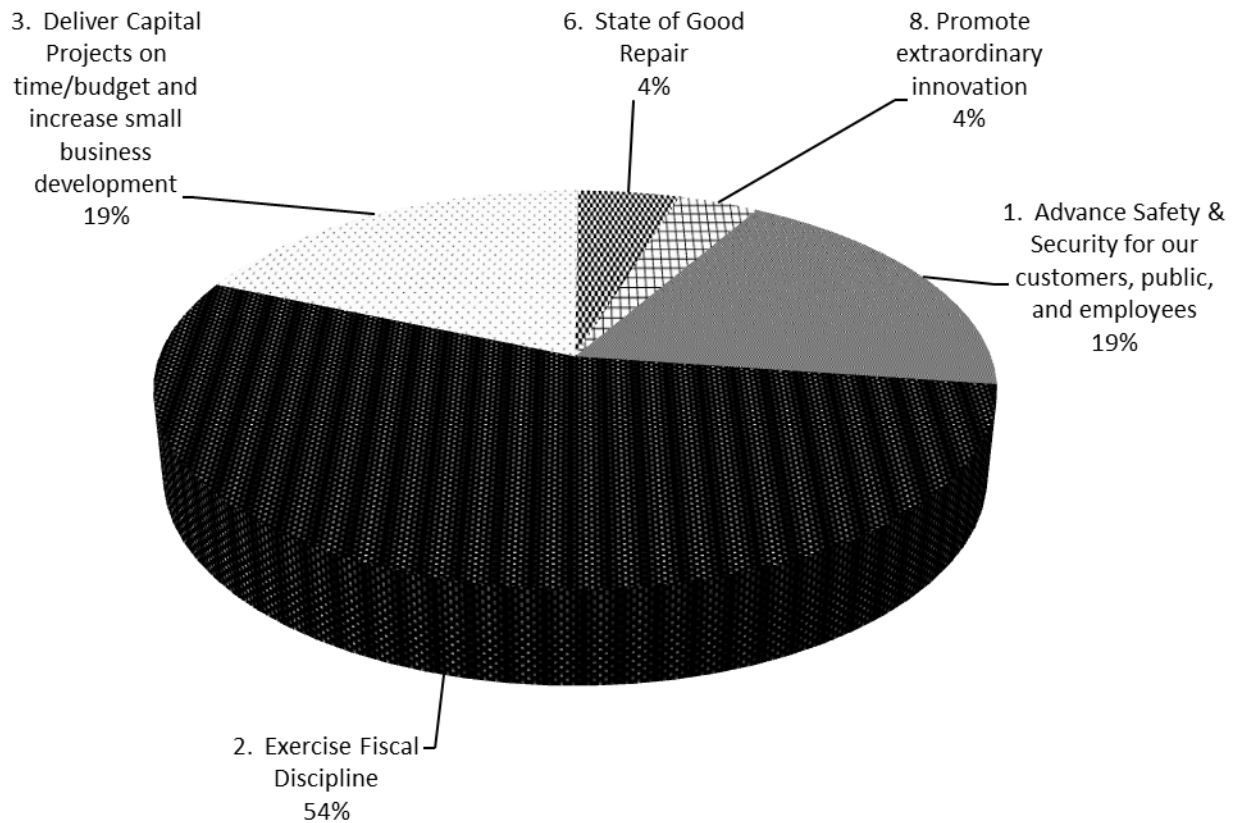
### Audit Plan Strategy

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

	<b>Title</b>	<b>Objective</b>	<b>Area</b>
<b>6.</b>	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
<b>7.</b>	Audit of Key Information	Evaluate the adequacy and effectiveness of the internal controls over the preparation of Key Information	Vendor/Contract Management
<b>8.</b>	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
<b>9.</b>	Audit of Internal Controls Over Overtime Payments	Evaluate adequacy of internal controls over overtime payments.	Agency-Wide
<b>10.</b>	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
<b>11.</b>	Follow-up on FY17 Triennial Review Findings	Evaluate the extent of corrective actions for findings identified in the FTA Triennial Review.	Agency-Wide
<b>12.</b>	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**

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