



Metro®

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

Agenda - Final

Thursday, April 17, 2025

10:00 AM

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Finance, Budget and Audit Committee

Tim Sandoval, Chair

Lindsey Horvath, Vice Chair

Kathryn Barger

James Butts

Imelda Padilla

Gloria Roberts, non-voting member

Stephanie Wiggins, Chief Executive Officer

METROPOLITAN TRANSPORTATION AUTHORITY BOARD AGENDA RULES

(ALSO APPLIES TO BOARD COMMITTEES)

PUBLIC INPUT

A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for one (1) minute per item, or at the discretion of the Chair. A request to address the Board must be submitted electronically using the tablets available in the Board Room lobby. Individuals requesting to speak will be allowed to speak for a total of three (3) minutes per meeting on agenda items in one minute increments per item. For individuals requiring translation service, time allowed will be doubled. The Board shall reserve the right to limit redundant or repetitive comment.

The public may also address the Board on non-agenda items within the subject matter jurisdiction of the Board during the general public comment period, which will be held at the beginning and /or end of each meeting. Each person will be allowed to speak for one (1) minute during this General Public Comment period or at the discretion of the Chair. Speakers will be called according to the order in which their requests are submitted. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

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.

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.

INFORMATION RELATING TO AGENDAS AND ACTIONS OF THE BOARD

Agendas for the Regular MTA Board meetings are prepared by the Board Clerk and are available prior to the meeting in the MTA Records Management Department and on the Internet. Every meeting of the MTA Board of Directors is recorded and is available at <https://www.metro.net> or on CD's and as MP3's for a nominal charge.

DISCLOSURE OF CONTRIBUTIONS

The State Political Reform Act (Government Code Section 84308) requires that a party to a proceeding coming before an agency involving a license, permit, or other entitlement for use including all contracts (other than competitively bid contracts that are required by law, agency policy, or agency rule to be awarded pursuant to a competitive process, labor contracts, personal employment contracts, contracts valued under \$50,000, contracts where no party receives financial compensation, contracts between two or more agencies, the periodic review or renewal of development agreements unless there is a material modification or amendment proposed to the agreement, the periodic review or renewal of competitively bid contracts unless there are material modifications or amendments proposed to the agreement that are valued at more than 10 percent of the value of the contract or fifty thousand dollars (\$50,000), whichever is less, and modifications of or amendments to any of the foregoing contracts, other than competitively bid contracts), shall disclose on the record of the proceeding any contributions in an amount of more than \$500 made within the preceding 12 months by the party, or the party's agent, to any officer of the agency. When a closed corporation is party to, or participant in, such a proceeding, the majority shareholder must make the same disclosure. Failure to comply with this requirement may result in the assessment of civil or criminal penalties.

ADA REQUIREMENTS

Upon request, sign language interpretation, materials in alternative formats and other accommodations are available to the public for MTA-sponsored meetings and events. All requests for reasonable accommodations must be made at least three working days (72 working hours) in advance of the scheduled meeting date. Please telephone (213) 364-2837 or (213) 922-4600 between 8 a.m. and 5 p.m., Monday through Friday. Our TDD line is (800) 252-9040. Requests can also be sent to boardclerk@metro.net.

LIMITED ENGLISH PROFICIENCY

A Spanish language interpreter is available at all Committee and Board Meetings. All other languages must be requested 72 hours in advance of the meeting by calling (213) 364-2837 or (213) 922-4600. Live Public Comment Instructions can also be translated if requested 72 hours in advance.



323.466.3876

x2 *Español (Spanish)*

x3 *中文 (Chinese)*

x4 *한국어 (Korean)*

x5 *Tiếng Việt (Vietnamese)*

x6 *日本語 (Japanese)*

x7 *русский (Russian)*

x8 *Հայերէն (Armenian)*

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

Live Public Comment Instructions:

Live public comment can be given by telephone or in-person.

The Meeting begins at 10:00 AM Pacific Time on April 17, 2025; you may join the call 5 minutes prior to the start of the meeting.

Dial-in: 888-978-8818 and enter
English Access Code: 5647249#
Spanish Access Code: 7292892#

Public comment will be taken as the Board takes up each item. To give public comment on an item, enter #2 (pound-two) when prompted. Please note that the live video feed lags about 30 seconds behind the actual meeting. There is no lag on the public comment dial-in line.

Instrucciones para comentarios publicos en vivo:

Los comentarios publicos en vivo se pueden dar por telefono o en persona.

La Reunion de la Junta comienza a las 10:00 AM, hora del Pacifico, el 17 de Abril de 2025. Puedes unirse a la llamada 5 minutos antes del comienzo de la junta.

Marque: 888-978-8818 y ingrese el codigo
Codigo de acceso en ingles: 5647249#
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Los comentarios del público se tomaran cuando se toma cada tema. Para dar un comentario público sobre una tema ingrese # 2 (Tecla de numero y dos) cuando se le solicite. Tenga en cuenta que la transmisión de video en vivo se retrasa unos 30 segundos con respecto a la reunión real. No hay retraso en la línea de acceso telefónico para comentarios públicos.

Written Public Comment Instruction:

Written public comments must be received by 5PM the day before the meeting.

Please include the Item # in your comment and your position of "FOR," "AGAINST," "GENERAL COMMENT," or "ITEM NEEDS MORE CONSIDERATION."

Email: BoardClerk@metro.net

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Board Administration

One Gateway Plaza

MS: 99-3-1

Los Angeles, CA 90012

CALL TO ORDER

ROLL CALL

16. SUBJECT: PROPOSITION A AND PROPOSITION C SHORT-TERM
BORROWING PROGRAMS

[2025-0109](#)

RECOMMENDATION

ADOPT:

- A. a resolution that authorizes the Chief Executive Officer and/or other Designated Officers to renew and/or replace the existing direct-pay letter of credit ("LOC") with respect to the Proposition A ("Prop A") short-term borrowing program (Attachment A); and
- B. a resolution that authorizes the Chief Executive Officer and/or other Designated Officers to renew and/or replace the existing direct purchase revolving credit facility with respect to the Proposition C ("Prop C") short-term borrowing program (Attachment B).

(REQUIRES SEPARATE, SIMPLE MAJORITY VOTE OF THE BOARD)

Attachments: [Attachment A - Proposition A Authorizing Resolution](#)
 [Attachment B - Proposition C Authorizing Resolution](#)
 [Attachment C - Bank Recommendation Summary](#)
 [Presentation](#)

17. SUBJECT: LICENSE AGREEMENT WITH THE CITY OF SANTA
CLARITA FOR VIA PRINCESSA PARK PEDESTRIAN AND
VEHICLE UNDERCROSSING

[2025-0112](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) or their designee, to execute a 45 year license agreement commencing May 1, 2025, with the City of Santa Clarita ("City") for a portion of real property located on parcel numbered (APN) 2864-003-901 ("Property") depicted in Attachment A, for a one-time administrative fee of \$1,500 ("License").

Attachments: [Attachment A - Property Location](#)
 [Presentation](#)

18. SUBJECT: PROPERTY INSURANCE PROGRAM

[2025-0190](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to negotiate and purchase All Risk Property and Boiler and Machinery insurance policies for all Metro properties at a not-to-exceed premium of \$11 million for the 12-month period of May 10, 2025, through May 10, 2026.

Attachments: [Attachment A - Recommended Program Pricing and Carriers](#)
 [Attachment B - Alternatives Considered](#)
 [Presentation](#)

19. SUBJECT: REVIEW OF METRO BUS STOPS CLEANLINESS AND SAFETY

[2025-0118](#)

RECOMMENDATION

RECEIVE AND FILE Office of the Inspector General (OIG) Final Report on Review of Metro Bus Stops Cleanliness and Safety.

Attachments: [Attachment A - Fin. Report Review of Metro Bus Stops Cleanliness & Safety](#)
 [Presentation](#)

20. SUBJECT: FISCAL YEAR 2026 BUDGET DEVELOPMENT STATUS UPDATE

[2025-0177](#)

RECOMMENDATION

RECEIVE AND FILE the Fiscal Year 2026 (FY26) Budget Development Status Update.

Attachments: [Attachment A - Enhanced Customer Experience](#)
 [Attachment B - Metro Transit Capital Improvement Projects Details](#)
 [Attachment C - Total Bus Investments](#)
 [Attachment D - Early, Improved & Expanded Public Engagement Update](#)

SUBJECT: GENERAL PUBLIC COMMENT

[2025-0251](#)

RECEIVE General Public Comment

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

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

Adjournment



Board Report

File #: 2025-0109, File Type: Resolution

Agenda Number: 16.

FINANCE, BUDGET AND AUDIT COMMITTEE APRIL 17, 2025

SUBJECT: PROPOSITION A AND PROPOSITION C SHORT-TERM BORROWING PROGRAMS

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

ADOPT:

- A. a resolution that authorizes the Chief Executive Officer and/or other Designated Officers to renew and/or replace the existing direct-pay letter of credit ("LOC") with respect to the Proposition A ("Prop A") short-term borrowing program (Attachment A); and
- B. a resolution that authorizes the Chief Executive Officer and/or other Designated Officers to renew and/or replace the existing direct purchase revolving credit facility with respect to the Proposition C ("Prop C") short-term borrowing program (Attachment B).

(REQUIRES SEPARATE, SIMPLE MAJORITY VOTE OF THE BOARD)

ISSUE

The Prop A and Prop C Short-Term Borrowing programs have proven to be flexible, cost-effective methods of short-term financing for Metro's capital program. The Prop A LOC provided by Bank of America expires in June 2025 and the Prop C Revolving Credit Facility ("RCF") with the Bank of Montreal (BMO), formerly known as Bank of the West, expires in May 2025.

BACKGROUND

The Board established the Prop A short-term borrowing program in January 1991 to provide interim taxable or tax-exempt financing until grant reimbursement or other funding sources are received. Under the Proposition A short-term borrowing program, Metro is authorized to issue and have outstanding at any one time up to \$350 million in Commercial Paper ("CP") notes. An LOC, which guarantees payment of the maturing CP Notes, is a required feature of the CP program.

CP is a short-term debt instrument that can be issued with maturities from 1 to 270 days. As notes mature, new notes are simultaneously issued (i.e. "rolled over"). The LOC provides guaranteed liquidity to investors when their notes mature and are a required component of the program.

Additionally, the LOC provides a safety net to Metro in the form of a term loan in the unlikely event the notes cannot be remarketed, protecting Metro from incurring an obligation to immediately repay the entire amount of maturing CP Notes using funds on hand. The CP will be backed by a subordinate pledge of 75% of Prop A sales tax revenues. Metro can issue either tax-exempt or taxable CP under the Prop A CP program.

The Board established the Prop C short-term borrowing program in June 1993 to provide interim taxable or tax-exempt financing until grant reimbursement or other funding sources are received. Under the Proposition C short-term borrowing program, Metro is authorized to issue and have outstanding at any one time up to \$150 million in CP notes or revolving credit obligations.

Under the Prop C RCF program, the selected bank will provide short-term revolving loans directly to Metro in an aggregate amount of up to \$150 million outstanding at any one time. The loans provided under the Prop C RCF will bear interest at variable interest rates based on an index of 80% of 1-month Secured Overnight Financing Rate ("SOFR") for tax-exempt loans and 100% of 1-month SOFR for taxable loans, plus the bank's applicable fee. The Prop C RCF will be backed by a subordinate pledge of 80% of Prop C sales tax revenues.

DISCUSSION

A request for proposals was sent to 18 banks by Metro's municipal advisor, PFM Financial Advisors LLC ("PFM"). Under Metro's Debt Policy, the municipal advisor conducts a competitive process to select financial product providers, including letters of credit. The request for proposal required banks to have short-term ratings of at least P-1, A-1 or F-1 from at least two of the three following rating agencies: Moody's Investors Service, Standard & Poor's and Fitch Ratings, as is standard practice and required by Metro's Debt Policy. Evaluation criteria included pricing, any rate penalties investors may impose on a particular bank, the status of a bank's credit approval, and willingness to execute the form of agreement. Local institutions do not offer these types of financial products or services. Overall program objectives include low cost and maximizing access to borrowing capacity achieved through diversification of products and providers. Seven proposals were received for a commitment amount of \$150 million for each program. The selection group was composed of Treasury staff and PFM. The selection group ranked each proposer and recommended Sumitomo Mitsui Banking Corporation (SMBC) for the Prop A LOC (4-year term) and BMO for the Prop C RCF (3-year term) (See Attachment C).

Costs will vary depending on the amount of tax-exempt and taxable debt Metro issues under the Prop A and Prop C programs. Additional fees and interest may be incurred under certain extreme circumstances. None of Metro's CP notes have failed to be remarketed to date.

DETERMINATION OF SAFETY IMPACT

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

FINANCIAL IMPACT

Funding of \$26.2 million for the Prop A and Prop C programs are included in the FY2025 budget in

Cost Center #0521, Treasury Non-Departmental, under project #610306, task 03.01 and project #611309, task 01 for Prop A and project #610307, task 03.01 for Prop C. The cost center manager and the Chief Financial Officer will be accountable for budgeting the cost in future years.

Impact to Budget

The funding sources of Prop A and Prop C are eligible for bus & rail operations and capital projects.

EQUITY PLATFORM

Approval of this item will maintain liquidity support and/or borrowing capacity for Metro's Prop A and Prop C short-term borrowing programs that facilitate planned financing for Metro's capital program. At this time, there are no specific equity benefits or concerns anticipated due to this action.

VEHICLE MILES TRAVELED OUTCOME

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

While this item does not directly encourage taking transit, sharing a ride, or using active transportation, it is a vital part of Metro operations, as it provides interim taxable or tax-exempt financing until grant reimbursement or other funding sources are received. Because the Board has adopted an agency-wide VMT Reduction Target, and this item generally supports the overall function of the agency, this item is consistent with the goals of reducing VMT.

* Based on population estimates from the United States Census and VMT estimates from the highway performance monitoring system data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports the following Metro Strategic Plan Goal(s):

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

ALTERNATIVES CONSIDERED

The Board could choose not to approve the recommended credit support or facility for the Prop A CP or the Prop C RCF programs. The termination of the Prop A CP or the Prop C RCF programs reduces Metro's liquidity and hinders the ability to provide low-cost short-term financing options when needed on Prop A and Prop C projects. The capital projects that require immediate cash flow to continue moving forward would not have financing mechanisms in place. This alternative is not recommended.

NEXT STEPS

- Negotiate final terms and conditions with the recommended banks.
- If satisfactory terms cannot be agreed upon with one or both recommended banks, negotiate with the next highest-ranked proposers for the applicable program (Prop A or Prop C, as applicable) to obtain the best combination of terms and pricing.
- Prepare agreements and documentation to implement the replacement LOC and RCF, including, among others, notices, reimbursement agreements, fee agreements, reimbursement notes, credit agreements, revolving obligation notes, supplemental trust agreements and offering memoranda.
- Obtain credit ratings for the CP notes based on the credit ratings of the selected bank.
- Execute documents prior to the expiration date of the current agreements in May and June of 2025.

ATTACHMENTS

Attachment A - Proposition A Authorizing Resolution

Attachment B - Proposition C Authorizing Resolution

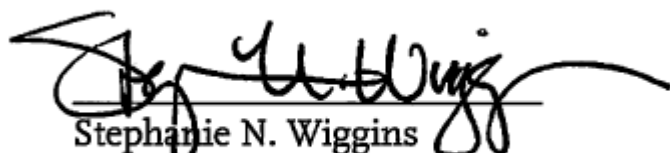
Attachment C - Bank Recommendation Summary

Prepared by: Rodney Johnson, Treasurer, (213) 922-3417

Biljana Seki, Assistant Treasurer, (213) 922-2554

Michael Kim, Senior Budget Manager, (213) 922-4026

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



Stephanie N. Wiggins
Chief Executive Officer

Proposition A Authorizing Resolution

RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY APPROVING AND AUTHORIZING THE
EXECUTION AND DELIVERY OF A REIMBURSEMENT AGREEMENT AND
CERTAIN OTHER DOCUMENTS RELATED TO THE PROPOSITION A
COMMERCIAL PAPER PROGRAM AND AUTHORIZING OTHER RELATED
MATTERS

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (the "LACMTA"), as successor to the Los Angeles County Transportation Commission (the "Commission"), is authorized, under Chapter 5 of Division 12 of the California Public Utilities Code (the "Act"), to issue indebtedness and securities of any kind or class, including, but not limited to, bonds, notes, bond anticipation notes, commercial paper and other obligations ("Bonds"), to finance and refinance the acquisition, construction, rehabilitation or equipping of facilities to be used as part of a countywide transportation system; and

WHEREAS, pursuant to the provisions of Section 130350 of the California Public Utilities Code, the Commission is authorized to adopt a retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory of the County of Los Angeles (the "County") subject to the approval of the voters of the County; and

WHEREAS, the Commission, by Ordinance No. 16 adopted August 20, 1980 ("Ordinance No. 16"), imposed a 1/2 of 1% retail transactions and use tax upon retail sales of tangible personal property and upon the storage, use or other consumption of tangible personal property in the County, the proceeds of the tax to be used for public transit purposes (the "Proposition A Tax"), and such tax was approved by the electors of the County on November 4, 1980; and

WHEREAS, the revenues received by the LACMTA from the imposition of the Proposition A Tax are, by statute, directed to be used for public transit purposes, which purposes include a pledge of such tax to secure any Bonds issued pursuant to the Act and include the payment or provision for the payment of the principal of such bonds and any premium, interest on such Bonds and the costs of issuance of such Bonds; and

WHEREAS, the LACMTA, on an on-going basis, is planning and engineering a County-wide public transportation system (the "Public Transportation System") to serve the County and on an on-going basis is constructing portions of the Public Transportation System; and

WHEREAS, to facilitate the development and construction of the Public Transportation System, as authorized by the Act, the LACMTA by resolution adopted January 23, 1991 (the "1991 Authorizing Resolution"), authorized and implemented a program of commercial paper (the "Program") involving the issuance from time to time of the Second Subordinate Sales Tax Revenue Commercial Paper Notes, Series A (the "Notes") for the purpose of providing for the financing of the acquisition of real and personal property and the construction of the Public Transportation System, provided that the aggregate principal amount of Notes and Reimbursement Obligations (as defined in such 1991 Authorizing Resolution) outstanding at any time shall not exceed \$350,000,000; and

WHEREAS, the Notes and other obligations incurred in connection with the Program are issued under and secured by the Subordinate Trust Agreement, dated as of January 1, 1991 (the

“Subordinate Agreement”), by and between the LACMTA (as successor to the Commission) and U.S. Bank Trust Company, National Association, as successor to BancAmerica Trust Company, as successor to Security Pacific National Trust Company (New York), as trustee (the “Trustee”); the First Supplemental Subordinate Trust Agreement, dated as of January 1, 1991, as amended (the “First Supplemental Trust Agreement”), by and between the LACMTA and the Trustee; the Second Supplemental Subordinate Trust Agreement, dated as of January 1, 1994 (the “Second Supplemental Trust Agreement”), by and between the LACMTA and the Trustee; the Third Supplemental Subordinate Trust Agreement, dated as of December 1, 1996 (the “Third Supplemental Trust Agreement”), by and between the LACMTA and the Trustee; the Fourth Supplemental Subordinate Trust Agreement, dated as of December 1, 1996 (the “Fourth Supplemental Trust Agreement”), by and between the LACMTA and the Trustee; the Fifth Supplemental Subordinate Trust Agreement, dated as of May 1, 2004 (the “Fifth Supplemental Trust Agreement”), by and between the LACMTA and the Trustee; the Sixth Supplemental Subordinate Trust Agreement, dated as of September 24, 2009 (the “Sixth Supplemental Trust Agreement”); and the Seventh Supplemental Subordinate Trust Agreement, dated as of September 1, 2010 (the “Seventh Supplemental Trust Agreement” and collectively with the Subordinate Agreement, the First Supplemental Trust Agreement, the Second Supplemental Trust Agreement, the Third Supplemental Trust Agreement, the Fourth Supplemental Trust Agreement, the Fifth Supplemental Trust Agreement and the Sixth Supplemental Trust Agreement, the “Trust Agreement”), by and between the LACMTA and the Trustee; and

WHEREAS, the LACMTA has determined that it is necessary and desirable to have the Notes supported by one or more letters of credit (the “Letter of Credit,” or the “Letters of Credit”) that are delivered pursuant to the terms of one or more reimbursement agreements (each, a “Reimbursement Agreement,” or collectively the “Reimbursement Agreements”) each between the LACMTA and one or more providers of a Letter of Credit (a “Letter of Credit Provider,” or the “Letter of Credit Providers”) that, along with one or more related fee letters between the LACMTA and the related Letter of Credit Provider or Letter of Credit Providers (each, a “Fee Letter” or the “Fee Letters”), set forth the terms and conditions for the repayment by the LACMTA of Reimbursement Obligations; and

WHEREAS, the Notes are currently supported by a Letter of Credit (the “BANA Letter of Credit”) previously issued by Bank of America, N.A. (“BANA”), in the stated amount of \$163,315,069, as amended to date, which expires on September 22, 2025; and

WHEREAS, BANA issued the BANA Letter of Credit pursuant to the Reimbursement Agreement, dated as of June 1, 2022, between the LACMTA and BANA; and

WHEREAS, the LACMTA now desires to (a) replace the BANA Letter of Credit with a Letter of Credit (the “SMBC Letter of Credit”) to be issued by Sumitomo Mitsui Banking Corporation, acting through its New York Branch (“SMBC”) in the stated amount of \$163,315,069 (representing principal of up to \$150,000,000 plus interest of up to \$13,315,069), or (b) replace the BANA Letter of Credit with one or more new Letters of Credit to be issued by such other Letter of Credit Provider(s) or one or more alternative bank products (“Alternative Bank Products”), as requested in the Bank RFP (defined below), to be provided by such financial institutions in a combined available amount not to exceed \$163,315,069 (representing principal of up to \$150,000,000 plus an interest component, if any, of up to \$13,315,069) that may be selected by the LACMTA from the pool of respondents to the LACMTA’s “Request for Proposals to Provide Replacement Direct Pay Letter of Credit and/or Bank Product and/or Alternative Products” (the “Bank RFP”) distributed to potential respondents on February 11, 2025 (each, an “Other Letter of Credit Provider”);

WHEREAS, so long as the Program is active, the LACMTA deems it necessary and desirable to have one or more Letters of Credit securing the payment of principal of and interest on the Notes as they mature from time to time; and

WHEREAS, currently, no Notes are outstanding; and

WHEREAS, Section 5922 of the Government Code of the State of California provides that in connection with, or incidental to, the issuance or carrying of Bonds (which is defined to include notes) any public entity may enter into any contracts which the public entity determines to be appropriate to place the obligations represented by the Bonds, in whole or in part, on the interest rate, cash flow or other basis desired by the public entity, including without limitation contracts providing for payments based on levels of, or changes in, interest rates or stock or other indices, or contracts to exchange cash flows or a series of payments, in each case to hedge payment, rate, spread or similar exposure, and may enter into credit enhancement or liquidity agreements, with payment, interest rate, currency, security, default, remedy, and other terms and conditions as the public entity determines; and

WHEREAS, pursuant to Section 5922 of the Government Code of the State of California, the LACMTA hereby finds and determines that the Reimbursement Agreements to be entered into in connection with, or incidental to, the Program, will reduce the amount and duration of interest rate risk with respect to the Notes issued under the Program and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Notes or enhance the relationship between risk and return with respect to investments; and

WHEREAS, in order to minimize debt service and maximize benefits to the LACMTA, the LACMTA will enter into one or more Reimbursement Agreements with BANA, SMBC, and/or such Other Letter of Credit Provider which will provide one or more Letters of Credit that will separately secure the payment of principal of and interest on certain designated Notes as issued and maturing from time to time, or the LACMTA will enter into one or more agreements for Alternative Bank Products pursuant to the Bank RFP; and

WHEREAS, the LACMTA desires that BANA, SMBC, and/or such Other Letter of Credit Provider will provide credit support for \$150,000,000 in aggregate principal amount of the Notes (which is only a portion of the \$350,000,000 authorized under the 1991 Authorizing Resolution); and

WHEREAS, forms of the following documents are on file with the Clerk of the Board of Directors of the LACMTA and have been made available to the members of the Board of Directors of the LACMTA (the “Board”):

(a) a Letter of Credit Reimbursement Agreement (the “SMBC Reimbursement Agreement”), that will be entered into by the LACMTA and SMBC in connection with the issuance of the SMBC Letter of Credit;

(b) a Fee Letter (the “SMBC Fee Letter”), that will be entered into by the LACMTA and SMBC;

(c) a Reimbursement Note (the “SMBC Reimbursement Note” and collectively, with the SMBC Reimbursement Agreement and the SMBC Fee Letter, the “Documents”), that will be executed and delivered by the LACMTA to evidence its reimbursement obligations under the SMBC Reimbursement Agreement and the SMBC Fee Letter; and

(d) a Commercial Paper Offering Memorandum (the "Offering Memorandum"), to be used in connection with the offer and sale of the Notes; and

WHEREAS, the LACMTA has been advised by its Bond Counsel that such documents are in appropriate form, and the LACMTA hereby acknowledges that said documents are subject to modification to reflect the various details applicable to the Program and the Notes and the results of negotiation with SMBC (or BANA or an Other Letter of Credit Provider, as the case may be); and

WHEREAS, in the event the LACMTA decides that it is in its best interests to renew the BANA Letter of Credit or replace such Letter of Credit with one or more Letters of Credit to be issued by one or more Other Letter of Credit Provider(s) other than SMBC, the LACMTA will (a) enter into one or more Reimbursement Agreements with the Other Letter of Credit Provider(s), (b) will enter into one or more fee agreements or fee letters with the Other Letter of Credit Provider(s), (c) execute and deliver one or more reimbursement notes relating to such Reimbursement Agreement or Agreements, and (d) revise and deliver the Offering Memorandum relating to such Letters of Credit and Other Letter of Credit Provider(s); and

WHEREAS, terms used in this Resolution and not otherwise defined herein shall have the meanings assigned to them in the Trust Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY, AS FOLLOWS:

Section 1. Findings. The foregoing recitals are true and correct and the LACMTA so finds and determines.

Section 2. Approval of Documents; Authorization for Execution. The LACMTA hereby approves the appointment of SMBC and/or BANA and/or such Other Letter of Credit Provider selected and appointed by a Designated Officer (as defined below), as the providers of the Letters of Credit (in a combined stated amount of up to \$163,315,069 (representing principal of up to \$150,000,000 plus interest of up to \$13,315,069)) with respect to the Program and the Notes. The form, terms and provisions of the Documents are in all respects approved and the Chief Executive Officer of the LACMTA, the Chief Financial Officer of the LACMTA, the Treasurer of the LACMTA, any Executive Officer, Finance of the LACMTA, any Deputy Executive Officer, Finance of the LACMTA, any Assistant Treasurer of the LACMTA, or any such officer serving in an acting or interim capacity, and any written designee of any of them (each, a "Designated Officer"), and any one or more thereof, are hereby authorized, empowered and directed to execute, acknowledge and deliver each of the Documents including counterparts thereof, in the name and on behalf of the LACMTA. The Documents, as executed and delivered, shall be in substantially the forms now on file with the Clerk of the Board and made available to the Board and hereby approved, or with such changes therein as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the forms of the Documents now on file with the Clerk of the Board and made available to the Board; and from and after the execution and delivery of the Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Documents.

If a Designated Officer determines that it is in the LACMTA's best interests to replace the BANA Letter of Credit with one or more Letters of Credit to be issued by one or more Other Letter of

Credit Provider(s), instead of SMBC, the Designated Officers are hereby authorized to (a) (i) enter into one or more Reimbursement Agreements with one or more Other Letter of Credit Provider(s) (each an “Alternate Reimbursement Agreement”), (ii) enter into one or more fee agreements or fee letters with one or more Other Letter of Credit Provider(s) (each an “Alternate Fee Agreement”) and (iii) execute and deliver one or more reimbursement notes (each an “Alternate Reimbursement Note”) or (b) enter into documents relating to Alternative Bank Products pursuant to the Bank RFP (each an “Alternate Product,” and collectively with the Alternate Reimbursement Agreement, the Alternate Fee Agreement and the Alternate Reimbursement Note, the “Alternate Documents”). The Alternate Documents, as executed and delivered, may be substantially similar to the forms of the Documents now on file with the Clerk of the Board and made available to the Board and hereby approved, or with such changes therein as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board’s approval of any and all changes or revisions therein from the forms of the Documents now on file with the Clerk of the Board and made available to the Board; and from and after the execution and delivery of the Alternate Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Alternate Documents.

The LACMTA hereby determines that entering into one or more Reimbursement Agreements with SMBC, BANA, and/or such Other Letter of Credit Provider pursuant to Section 5922 of the Government Code of the State of California would be designed to reduce the LACMTA’s cost of borrowing for the Notes. In addition to the provisions set forth in the previous paragraph, no Designated Officer shall enter into a Reimbursement Agreement with SMBC, BANA, and/or such Other Letter of Credit Provider unless (a) such Reimbursement Agreement is designed (i) to reduce or hedge the amount or duration of any payment, interest rate, spread or similar risk, or (ii) to result in a lower cost of borrowing when used in combination with the issuance of the Notes, (b) the term of such Reimbursement Agreement or Alternate Product does not exceed the Program Termination Date; and (c) the amounts payable by the LACMTA with respect to such Reimbursement Agreements shall be payable solely and exclusively from Net Pledged Revenues. In accordance with Section 5922 of the Government Code of the State of California, the LACMTA hereby finds and determines that the Reimbursement Agreements entered into in accordance with this Resolution and consistent with the requirements set forth herein is designed to reduce the amount or duration of payment, interest rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Notes.

Section 3. Offering Memorandum. The distribution by any of the Dealers of an Offering Memorandum in connection with the offering and sale of the Notes from time to time in substantially the form on file with the Clerk of the Board and made available to the Board, with such changes therein as shall be approved by a Designated Officer, is hereby authorized and approved. Each Offering Memorandum so distributed shall first be approved by a Designated Officer pursuant to the terms of the Dealer Agreements. The Dealers are hereby authorized to distribute Offering Memoranda in final form to market the Notes from time to time, and are hereby authorized to distribute copies of the LACMTA’s most recent annual audited financial statements and such other financial statements of the LACMTA as a Designated Officer shall approve.

Section 4. Additional Authorization. The Designated Officers and all officers, agents and employees of the LACMTA, for and on behalf of the LACMTA, be and they hereby are authorized and directed to do any and all things necessary to effect the execution and delivery of the Documents and/or the Alternate Documents and to carry out the terms thereof. The Designated Officers and all other officers, agents and employees of the LACMTA are further authorized and directed, for and on

behalf of the LACMTA, to execute all papers, documents, certificates and other instruments and take all other actions that may be required in order to carry out the authority conferred by this Resolution or the provisions of the Documents and/or the Alternate Documents or to evidence said authority and its exercise. In connection with the execution and delivery of the Documents and the delivery of the SMBC Letter of Credit and/or the execution and delivery of the Alternate Documents and/or the issuance of a new Letter of Credit by an Other Letter of Credit Provider, the LACMTA is hereby authorized and directed to prepare and cause to be distributed, from time to time, one or more commercial paper offering memoranda with respect to the Notes. The Designated Officers and all other officers, agents and employees of the LACMTA are further authorized and directed, for and on behalf of the LACMTA, to do any and all things and to take any and all actions and to execute and deliver any and all agreements, certificates and documents, including, without limitation, any amendments or supplements to the Trust Agreement deemed not materially adverse to the Holders, extend the expiration date of any Letter of Credit, and any additional amendments to agreements relating to obligations payable from Net Pledged Revenues, which they, or any of them, may deem necessary or advisable in order to manage and administer the Program. All actions heretofore taken by the Designated Officers and all other officers, agents and employees of the LACMTA in furtherance of this Resolution are hereby confirmed, ratified and approved.

Section 5. Severability. The provisions of this Resolution are hereby declared to be severable, and, if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

Section 6. Effective Date. This Resolution shall be effective upon adoption by the Board.

CERTIFICATION

The undersigned, duly qualified and acting as Board Clerk of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct copy of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on April 24, 2025.

By _____
Board Clerk, Los Angeles County Metropolitan
Transportation Authority

Dated: _____, 2025

Proposition C Authorizing Resolution

RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE REVOLVING CREDIT AGREEMENTS AND CERTAIN OTHER DOCUMENTS RELATED TO THE PROPOSITION C REVOLVING OBLIGATIONS, THE EXECUTION AND DELIVERY OF ONE OR MORE REIMBURSEMENT AGREEMENTS AND CERTAIN OTHER DOCUMENTS RELATED TO THE PROPOSITION C COMMERCIAL PAPER PROGRAM AND AUTHORIZING OTHER RELATED MATTERS

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (the "LACMTA"), as successor to the Los Angeles County Transportation Commission (the "Commission"), is authorized, under Chapter 5 of Division 12 of the California Public Utilities Code (the "Act"), to issue indebtedness and securities of any kind or class, including, but not limited to, bonds, notes, bond anticipation notes, commercial paper and other obligations ("Bonds"), to finance and refinance the acquisition, construction, rehabilitation or equipping of facilities to be used as part of a countywide transportation system; and

WHEREAS, pursuant to the provisions of Section 130350 of the California Public Utilities Code, the Commission is authorized to adopt a retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory of the County of Los Angeles (the "County") subject to the approval of the voters of the County; and

WHEREAS, the Commission, by Ordinance No. 49 adopted August 28, 1990 ("Ordinance No. 49"), imposed a 1/2 of 1% retail transactions and use tax upon retail sales of tangible personal property and upon the storage, use or other consumption of tangible personal property in the County, the proceeds of the tax to be used for public transit purposes (the "Proposition C Tax"), and such tax was approved by the electors of the County on November 6, 1990; and

WHEREAS, the revenues received by the LACMTA from the imposition of the Proposition C Tax are, by statute, directed to be used for public transit purposes, which purposes include a pledge of such tax to secure any Bonds issued pursuant to the Act and include the payment or provision for the payment of the principal of such Bonds and any premium, interest on such Bonds and the costs of issuance of such Bonds; and

WHEREAS, the LACMTA, on an on-going basis, is planning and engineering a County-wide public transportation system (the "Public Transportation System") to serve the County and on an on-going basis is constructing portions of the Public Transportation System; and

WHEREAS, to facilitate the development and construction of the Public Transportation System, as authorized by the Act, the LACMTA by resolution adopted June 23, 1993 (the "1993 CP Authorizing Resolution"), authorized and implemented a commercial paper program (the "CP Program") involving the issuance, from time to time, of the Subordinate Proposition C Sales Tax Revenue Commercial Paper Notes, Series A (the "CP Notes") for the purpose of providing for the financing of the acquisition and construction of the Public Transportation System, provided that the aggregate principal amount of CP Notes and Reimbursement Obligations (as defined in the 1993 CP Authorizing Resolution) outstanding at any time shall not exceed \$150,000,000; and

WHEREAS, the CP Notes and other obligations incurred in connection with the CP Program are issued under and secured by the Subordinate Trust Agreement, dated as of June 1, 1993 (the “Subordinate Master Trust Agreement”), by and between the LACMTA and U.S. Bank Trust Company, National Association, as successor to Bank of America National Trust and Savings Association, as trustee (the “Trustee”), and the First Supplemental Subordinate Trust Agreement, dated as of June 1, 1993 (the “Original First Supplemental Subordinate Trust Agreement”), by and between the LACMTA and the Trustee, as amended by Amendment No. 1 to First Supplemental Subordinate Trust Agreement, dated as of October 16, 1995 (the “First Amendment”), by and between the LACMTA and the Trustee, Amendment No. 2 to First Supplemental Subordinate Trust Agreement, dated as of July 1, 1996 (the “Second Amendment”), by and between the LACMTA and the Trustee, Amendment No. 3 to First Supplemental Subordinate Trust Agreement, dated as of June 1, 1998 (the “Third Amendment”), by and between the LACMTA and the Trustee, Amendment No. 4 to First Supplemental Subordinate Trust Agreement, dated as of May 1, 2002 (the “Fourth Amendment”), by and between the LACMTA and the Trustee, Amendment No. 5 to First Supplemental Subordinate Trust Agreement, dated as of January 1, 2008 (the “Fifth Amendment”), by and between the LACMTA and the Trustee, Amendment No. 6 to First Supplemental Subordinate Trust Agreement, dated as of September 1, 2010 (the “Sixth Amendment” and collectively with the Original First Supplemental Subordinate Trust Agreement, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment and the Sixth Amendment, the “First Supplemental Subordinate Trust Agreement”), the Second Supplemental Subordinate Trust Agreement, dated as of April 1, 2013 (the “Second Supplemental Subordinate Trust Agreement”), the Third Supplemental Subordinate Trust Agreement, dated as of March 1, 2016 (the “Third Supplemental Subordinate Trust Agreement”), the Fourth Supplemental Subordinate Trust Agreement, dated as of April 1, 2019 (the “Fourth Supplemental Subordinate Trust Agreement”), and the Fifth Supplemental Subordinate Trust Agreement, dated as of June 1, 2022 (the “Fifth Supplemental Subordinate Trust Agreement” and, together with the Subordinate Master Trust Agreement, the First Supplemental Subordinate Trust Agreement, the Second Supplemental Subordinate Trust Agreement, the Third Supplemental Subordinate Trust Agreement, and the Fourth Supplemental Subordinate Trust Agreement, the “Subordinate Trust Agreement”), each by and between the LACMTA and the Trustee; and

WHEREAS, the LACMTA has previously determined that it is necessary and desirable to have the CP Notes supported by one or more letters of credit (the “Letter of Credit,” or the “Letters of Credit”) that are delivered pursuant to the terms of one or more reimbursement agreements (a “Reimbursement Agreement,” or the “Reimbursement Agreements”) each between the LACMTA and one or more providers of a Letter of Credit (a “Letter of Credit Provider,” or the “Letter of Credit Providers”) that sets forth the terms and conditions for the repayment by the LACMTA of Reimbursement Obligations; and

WHEREAS, currently, no CP Notes are outstanding; and

WHEREAS, Section 5922 of the Government Code of the State of California provides that in connection with, or incidental to, the issuance or carrying of Bonds (which is defined to include notes) any public entity may enter into any contracts which the public entity determines to be appropriate to place the obligations represented by the Bonds, in whole or in part, on the interest rate, cash flow or other basis desired by the public entity, including without limitation contracts providing for payments based on levels of, or changes in, interest rates or stock or other indices, or contracts to exchange cash flows or a series of payments, in each case to hedge payment, rate, spread or similar exposure and may enter into credit enhancement or liquidity agreements, with payment, interest rate, currency, security, default, remedy, and other terms and conditions as the public entity determines; and

WHEREAS, pursuant to Section 5922 of the Government Code of the State of California, the LACMTA hereby finds and determines that any Reimbursement Agreement(s) to be entered into in connection with, or incidental to, the CP Program, will reduce the amount and duration of interest rate risk with respect to CP Notes issued under the CP Program and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with such CP Notes or enhance the relationship between risk and return with respect to investments; and

WHEREAS, in addition to the authority to issue CP Notes, pursuant to the terms of the Subordinate Trust Agreement, the LACMTA is authorized to issue and/or incur, from time to time, Subordinate Obligations in the form of Subordinate Proposition C Sales Tax Revenue Revolving Obligations (the “Subordinate Revolving Obligations”); and

WHEREAS, the Subordinate Revolving Obligations are issued and/or incurred in the form of one or more revolving lines of credit (a “Revolving Line of Credit”) provided by one or more providers of such Revolving Lines of Credit (a “Line of Credit Provider”); and

WHEREAS, a Revolving Line of Credit (the “Existing Revolving Line of Credit”) is currently provided by BMO Bank N.A., as successor by merger to Bank of the West (“BMO”) pursuant to the Revolving Credit Agreement, dated as of June 1, 2022, by and between the LACMTA and BMO, as amended to date, which is scheduled to expire on August 28, 2025; and

WHEREAS, the LACMTA now desires to (i) extend the Existing Revolving Line of Credit with BMO, or (ii) replace the Existing Revolving Line of Credit with one or more replacement Revolving Lines of Credit to be provided by such other Line of Credit Provider(s) that may be selected by the LACMTA from the pool of respondents pursuant to the Bank RFP (defined below) (each, an “Other Line of Credit Provider”), or (iii) replace the Existing Revolving Line of Credit with CP Notes supported by one or more Letters of Credit, pursuant to one or more Reimbursement Agreements and the related fee letters with one or more Letter of Credit Providers that may be selected by the LACMTA from the pool of respondents to the LACMTA’s “Request for Proposals to Provide Replacement Direct Pay Letter and/or Bank Product and/or Alternative Products” (the “Bank RFP”) distributed to potential respondents on February 11, 2025; and

WHEREAS, the proposed extended Revolving Line of Credit (the “Extended Revolving Line of Credit”) will be provided to the LACMTA by BMO or the replacement Revolving Line of Credit will be provided to the LACMTA by such Other Line of Credit Provider, as applicable, pursuant to a revolving credit agreement (each, a “Credit Agreement”) to be entered into by and between the LACMTA and BMO or such Other Line of Credit Provider, as applicable, whereby the LACMTA will be allowed to request Advances (as defined in the applicable Credit Agreement), from time to time, in an aggregate principal amount not to exceed \$150,000,000 at any one time outstanding to finance or refinance on either a reimbursement or forward funding basis the acquisition, construction, rehabilitation or equipping of facilities authorized under the Act and Ordinance No. 49 (including, but not limited to facilities to be used as part of a Public Transportation System), to finance certain costs of issuance and for any other financing needs of the LACMTA authorized under the Act and Ordinance No. 49 (including, but not limited to, the refunding and restructuring of existing indebtedness of the LACMTA); and

WHEREAS, the Advances (as defined in the applicable Credit Agreement), the Revolving Loans (as defined in the applicable Credit Agreement) and the Term Loans (as defined in the applicable

Credit Agreement) will be incurred pursuant to the Subordinate Trust Agreement and the applicable Credit Agreement; and

WHEREAS, the obligations incurred by the LACMTA pursuant to the terms of the Credit Agreement (including, but not limited to, the Advances, the Revolving Loans and the Term Loans) will be limited obligations of the LACMTA, secured by, and payable from, Net Pledged Revenues and such other funds and accounts as provided in the Subordinate Trust Agreement and will be evidenced by one or more promissory notes; and

WHEREAS, the Advances, the Revolving Loans and the Term Loans may be incurred under the Credit Agreement whereby the interest paid by the LACMTA on such Advances, Revolving Loans and Term Loans may be (i) excluded from the gross income of the recipients thereof under the varying provisions of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder or related thereto (collectively, the “Code”) and/or (ii) included in the gross income of the recipients thereof under the Code; and

WHEREAS, forms of the following documents are on file with the Clerk of the Board of Directors of the LACMTA and have been made available to the members of the Board of Directors of the LACMTA (the “Board”) with respect to the Extended Revolving Line of Credit:

(a) an Amended and Restated Revolving Credit Agreement (the “BMO Credit Agreement”), to be entered into by the LACMTA and BMO, in connection with the Extended Revolving Line of Credit; and

(b) a Tax-Exempt Note and a Taxable Note (the “BMO Revolving Obligation Notes,” and together with the BMO Credit Agreement, the “Revolving Obligations Documents”), that will be executed and delivered by the LACMTA to evidence its payment and reimbursement obligations under the BMO Credit Agreement; and

WHEREAS, the LACMTA has been advised by its Bond Counsel that such documents are in appropriate form, and the LACMTA hereby acknowledges that said documents are subject to modification to reflect the various details applicable to the Subordinate Revolving Obligations and the Extended Revolving Line of Credit and the results of negotiation with BMO (or an Other Line of Credit Provider as the case may be); and

WHEREAS, in the event the LACMTA decides that it is in its best interests to replace the Existing Revolving Line of Credit with a Letter of Credit to be issued by a Letter of Credit Provider, the LACMTA will (i) enter into a Reimbursement Agreement with the Letter of Credit Provider, (ii) enter into a fee agreement or fee letter with the Letter of Credit Provider and (iii) execute and deliver a reimbursement note relating to such Reimbursement Agreement; and

WHEREAS, in the event the LACMTA decides that it is in its best interests to replace the Existing Revolving Line of Credit with a Revolving Line of Credit to be provided by an Other Line of Credit Provider, instead of BMO, the LACMTA will (i) enter into a Credit Agreement with the Other Line of Credit Provider and (ii) execute and deliver tax-exempt and taxable notes relating to such Credit Agreement; and

WHEREAS, terms used in this Resolution and not otherwise defined herein shall have the meanings assigned to them in the Subordinate Trust Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY, AS FOLLOWS:

Section 1. Findings.

(a) The foregoing recitals are true and correct and the LACMTA so finds and determines.

(b) The issuance and/or incurrence of the Subordinate Revolving Obligations, from time to time, and the payment of certain costs related thereto, if determined by a Designated Officer (as hereinafter defined) to be in the best interest of the LACMTA, are in the public interest.

Section 2. Issuance and/or Incurrence and Terms of Subordinate Revolving Obligations. For the purposes set forth in the foregoing recitals, the LACMTA is hereby authorized to (a) issue and/or incur, from time to time, the Subordinate Revolving Obligations in the form of the Extended Revolving Line(s) of Credit to be provided by BMO or the replacement Revolving Line(s) of Credit to be provided by such Other Line of Credit Provider, as applicable, pursuant to one or more Credit Agreements (including the BMO Credit Agreement or the Alternate Credit Agreement (as hereinafter defined)), provided that the aggregate principal amount of all Subordinate Revolving Obligations outstanding at any time shall not exceed \$150,000,000, and (b) incur the other Obligations (as defined in the applicable Credit Agreement) under each Credit Agreement and the Subordinate Trust Agreement. The commitment by BMO or such Other Line of Credit Provider to make Advances under the applicable Credit Agreement shall have a term not less than two years from the date of execution of the applicable Credit Agreement unless such date is earlier terminated pursuant to the terms of the applicable Credit Agreement or extended, reduced or rescinded by a subsequent resolution of the LACMTA (and approved by BMO or such Other Line of Credit Provider, as applicable). The outstanding principal amount of each Revolving Loan and each Term Loan shall bear interest at the interest rates set forth in each Credit Agreement. Notwithstanding anything to the contrary in the previous sentence or the provisions of this Resolution, interest payable by the LACMTA on any Revolving Loan or Term Loan shall not exceed the Maximum Rate (as defined in the applicable Credit Agreement); provided, however, if the rate of interest calculated in accordance with the terms of each Credit Agreement exceeds the Maximum Rate, interest at the rate equal to the difference between the rate of interest calculated in accordance with the terms of the applicable Credit Agreement and the Maximum Rate shall be deferred until such date as the rate of interest calculated in accordance with the terms of the applicable Credit Agreement ceases to exceed the Maximum Rate, at which time the LACMTA shall pay BMO or such Other Line of Credit Provider, as applicable, the deferred interest as provided in the applicable Credit Agreement.

The Revolving Lines of Credit are being obtained to provide funds, from time to time, to finance on either a reimbursement or forward funding basis the acquisition, construction, rehabilitation and equipping of facilities authorized under the Act and Ordinance No. 49 (including, but not limited to facilities to be used as part of a Public Transportation System), to finance certain costs of issuance and for any other financing needs of the LACMTA authorized under the Act and Ordinance No. 49 (including, but not limited to, the refunding and restructuring of existing indebtedness of the LACMTA).

The LACMTA shall be obligated to repay BMO or such Other Line of Credit Provider, as applicable, for all Advances, Revolving Loans and Term Loans and to pay all Obligations owed to

BMO or such Other Line of Credit Provider, as applicable, and such Advances, Revolving Loans, Term Loans and Obligations shall be payable, both with respect to interest and principal as provided for in the Subordinate Trust Agreement, each Credit Agreement and the BMO Revolving Obligation Notes and the Alternate Revolving Obligation Notes (as hereinafter defined, and together with the BMO Revolving Obligation Notes, the “Subordinate Revolving Obligation Notes”). The Advances, the Revolving Loans and the Term Loans may be incurred under each Credit Agreement whereby the interest paid by the LACMTA on such Revolving Loans and Term Loans is excluded from gross income for federal income tax purposes or not excluded or part excluded and part not excluded in such combination as is acceptable to the Designated Officer authorizing the same.

Section 3. Pledge to Secure the Advances, the Revolving Loans, the Term Loans, the Notes and the Obligations – Subordinate Revolving Obligations. The LACMTA hereby approves the pledge to secure the Subordinate Revolving Obligations, the Advances, the Revolving Loans, the Term Loans, the Subordinate Revolving Obligation Notes and the Obligations as set forth in the Subordinate Trust Agreement, each Credit Agreement and the Subordinate Revolving Obligation Notes.

Section 4. Limited Obligations; Subordinate Obligations – Subordinate Revolving Obligations. The Subordinate Revolving Obligations, the Advances, the Revolving Loans, the Term Loans, the Subordinate Revolving Obligation Notes and the Reimbursement Obligations (as defined in the applicable Credit Agreement) shall be limited obligations of the LACMTA, secured by, have a lien on and be payable from, Net Pledged Revenues and from the funds and accounts held by the Trustee and the LACMTA under the Subordinate Trust Agreement, as and to the extent therein described. The Subordinate Revolving Obligations, the Advances, the Revolving Loans, the Term Loans, the Subordinate Revolving Obligation Notes and the Reimbursement Obligations (as defined in the applicable Credit Agreement) shall also be secured by and be paid from such other sources as the LACMTA may hereafter provide, including, but not limited to, proceeds of additional borrowings for such purpose and any applicable state or federal grants received by the LACMTA.

The Subordinate Revolving Obligations shall be issued, from time to time, as Subordinate Obligations as provided for in Section 2.09 of the Subordinate Trust Agreement.

The Obligations (other than Reimbursement Obligations (as defined in the applicable Credit Agreement) and payment of principal of and interest on the Subordinate Revolving Obligation Notes) shall be secured by and have a lien on Net Pledged Revenues junior and subordinate in all respects to the liens on, security interest in and pledges of the Net Pledged Revenues granted to the Subordinate Obligations (including, but not limited to, the Subordinate Revolving Obligations, the Advances, the Revolving Loans, the Term Loans, the Subordinate Revolving Obligation Notes and the Reimbursement Obligations (as defined in the applicable Credit Agreement)).

Section 5. Approval of Revolving Obligations Documents; Authorization for Execution - Subordinate Revolving Obligations. The LACMTA hereby approves the appointment of BMO, or such Other Line of Credit Provider selected and appointed by a Designated Officer, as the provider of the Revolving Line of Credit with respect to the Subordinate Revolving Obligations. The form, terms and provisions of the Revolving Obligations Documents are in all respects approved and any one or more of the Designated Officers, are hereby authorized, empowered and directed to execute, acknowledge and deliver each of the Revolving Obligations Documents, including counterparts thereof, in the name and on behalf of the LACMTA. The Revolving Obligations Documents, as executed and delivered, shall be generally in the forms now on file with the Clerk of the Board and

made available to the Board and hereby approved, or with such changes therein as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the forms of the Revolving Obligations Documents now on file with the Clerk of the Board and made available to the Board; and from and after the execution and delivery of the Revolving Obligations Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Subordinate Trust Agreement and the Revolving Obligations Documents.

If a Designated Officer determines that it is in the LACMTA's best interests to replace the Existing Revolving Line of Credit with a Revolving Line of Credit to be provided by an Other Line of Credit Provider, instead of by the BMO, the Designated Officers are hereby authorized to (a) enter into a Credit Agreement with the Other Line of Credit Provider that is substantially similar to the form of the BMO Credit Agreement (an "Alternate Credit Agreement") now on file with the Clerk of the Board and made available to the Board and approved above, and (b) execute and deliver tax-exempt and taxable notes that are substantially similar to the form of the BMO Revolving Obligation Notes (the "Alternate Revolving Obligation Notes" and together with the Alternate Credit Agreement, the "Alternate Revolving Obligations Documents") now on file with the Clerk of the Board and made available to the Board and approved above. The Alternate Revolving Obligations Documents, as executed and delivered, shall be substantially similar to the forms of the Revolving Obligations Documents now on file with the Clerk of the Board and made available to the Board and hereby approved, or with such changes therein as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the forms of the Revolving Obligations Documents now on file with the Clerk of the Board and made available to the Board; and from and after the execution and delivery of the Alternate Revolving Obligations Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Alternate Revolving Obligations Documents.

Section 6. Trustee, Paying Agent and Registrar – Subordinate Revolving Obligations. U.S. Bank Trust Company, National Association is hereby appointed as Trustee, Paying Agent and Registrar for the Subordinate Revolving Obligations. Such appointments shall be effective upon the adoption of this Resolution and shall remain in effect until the LACMTA, by supplemental agreement, resolution or other action, shall name a substitute or successor thereto.

Section 7. Designated Officers – Subordinate Revolving Obligations. The Board hereby appoints the Chair of the LACMTA, any Vice Chair of the LACMTA, the Chief Executive Officer of the LACMTA (the "CEO"), the Chief Financial Officer of the LACMTA, the Treasurer of the LACMTA, any Executive Officer, Finance, any Deputy Executive Officer, Finance, any Assistant Treasurer of the LACMTA, or any such officer serving in an acting or interim capacity and any other persons the CEO may designate to serve, as "Designated Officers" of the LACMTA under the terms of this Resolution, the Subordinate Trust Agreement and each Credit Agreement. The Designated Officers are, and each of them is, hereby authorized and are hereby directed to perform those duties set forth in the Subordinate Trust Agreement and the Revolving Obligations Documents or the Alternate Revolving Obligations Documents, including, without limitation, the execution of a Request for Advance and Revolving Loan (as described in the applicable Credit Agreement). The Designated Officers are, and each of them is, also authorized to make representations, certifications and warranties in connection with implementing and obtaining the Revolving Lines of Credit and the issuance and/or

incurrence of Advances, Revolving Loans and Term Loans as and when required in the Subordinate Trust Agreement and the Revolving Obligations Documents or the Alternate Revolving Obligations Documents, and the certifications and agreements relating to the federal tax exemption with regards to certain advances. The Designated Officers are hereby further authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Subordinate Trust Agreement and the Revolving Obligations Documents or the Alternate Revolving Obligations Documents.

Section 8. Authorized Authority Representative – Subordinate Revolving Obligations. The Board hereby designates the Designated Officers, as an Authorized Authority Representative for all purposes under the Subordinate Trust Agreement and as an Authorized Officer (as defined in the applicable Credit Agreement) for all purposes under each Credit Agreement and with respect to the Subordinate Revolving Obligations, the Revolving Lines of Credit, the Advances, the Revolving Loans, the Term Loans and the Subordinate Revolving Obligation Notes. Such appointments shall remain in effect until modified by resolution.

Section 9. Additional Authorization – Subordinate Revolving Obligations. Each Designated Officer and all officers, agents and employees of the LACMTA, for and on behalf of the LACMTA, be and they hereby are authorized and directed to do any and all things necessary to effect the execution and delivery of the Revolving Obligations Documents or the Alternate Revolving Obligations Documents and to carry out the terms thereof. Each Designated Officer and all officers, agents and employees of the LACMTA are further authorized and directed, for and on behalf of the LACMTA, to execute all papers, documents, certificates and other instruments that may be required in order to carry out the authority conferred by this Resolution, the Subordinate Trust Agreement and the Revolving Obligations Documents or the Alternate Revolving Obligations Documents or to evidence the same authority and its exercise. The foregoing authorization includes, but is in no way limited to, authorizing the LACMTA staff to pay costs of issuance of implementing and obtaining the Revolving Lines of Credit and fees and costs of BMO or such Other Line of Credit Provider, as applicable, authorizing the investment of the proceeds of the Advances in one or more of the permitted investments provided for under the Subordinate Trust Agreement, and authorizing the execution by a Designated Officer, or any one of them, of one or more tax compliance certificates as required by the Subordinate Trust Agreement and the Revolving Obligations Documents or the Alternate Revolving Obligations Documents for the purpose of complying with the rebate requirements of the Code. Each Designated Officer and all officers, agents and employees of the LACMTA are further authorized and directed, for and on behalf of the LACMTA, to do any and all things and to take any and all actions and to execute and deliver any and all agreements, certificates and documents, including, without limitation, any amendments or supplements to the Subordinate Trust Agreement deemed not materially adverse to the Holders, extend the expiration date of any Revolving Line of Credit, and any additional amendments to agreements relating to obligations payable from Net Pledged Revenues, which they, or any of them, may deem necessary or advisable in order to manage and administer the Program. All actions heretofore taken by each Designated Officer and all officers, agents and employees of the LACMTA in furtherance of this Resolution are hereby confirmed, ratified and approved.

Section 10. Approval of Alternate CP Documents. If a Designated Officer determines that it is in the LACMTA's best interests to replace the Existing Revolving Line of Credit with a Letter of Credit to be issued by a Letter of Credit Provider, the Designated Officers are hereby authorized to (i) enter into a Reimbursement Agreement with the Letter of Credit Provider (an "Alternate Reimbursement Agreement"), (ii) enter into a fee agreement or a fee letter with the Letter of Credit Provider (an "Alternate Fee Agreement"), and (iii) execute and deliver a reimbursement note (the

“Alternate Reimbursement Note,” and collectively with the Alternate Reimbursement Agreement and the Alternate Fee Agreement, the “Alternate CP Documents”). The Alternate CP Documents, as executed and delivered, shall be in such form as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board’s approval of any and all provisions therein consistent with this Resolution; and from and after the execution and delivery of the Alternate CP Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Alternate CP Documents.

The LACMTA hereby determines that entering into one or more Reimbursement Agreements with any such Letter of Credit Provider pursuant to Section 5922 of the Government Code of the State of California would be designed to reduce the LACMTA’s cost of borrowing for the CP Notes. In addition to the provisions set forth in the previous paragraph, no Designated Officer shall enter into an Alternate Reimbursement Agreement with such Letter of Credit Provider unless (a) such Alternate Reimbursement Agreement is designed (i) to reduce or hedge the amount or duration of any payment, interest rate, spread or similar risk, or (ii) to result in a lower cost of borrowing when used in combination with the issuance of the CP Notes, (b) the term of such Alternate Reimbursement Agreement does not exceed the Program Termination Date; and (c) the amounts payable by the LACMTA with respect to such Alternate Reimbursement Agreement shall be payable solely and exclusively from Net Pledged Revenues. In accordance with Section 5922 of the Government Code of the State of California, the LACMTA hereby finds and determines that any Alternate Reimbursement Agreement entered into in accordance with this Resolution and consistent with the requirements set forth herein is designed to reduce the amount or duration of payment, interest rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the CP Notes.

Section 11. Additional Authorization – CP Program. The Designated Officers and all officers, agents and employees of the LACMTA, for and on behalf of the LACMTA, be and they hereby are authorized and directed to do any and all things necessary to effect the execution and delivery of the Alternate CP Documents and to carry out the terms thereof. The Designated Officers and all other officers, agents and employees of the LACMTA are further authorized and directed, for and on behalf of the LACMTA, to execute all papers, documents, certificates and other instruments and take all other actions that may be required in order to carry out the authority conferred by this Resolution or the provisions of the Alternate CP Documents or to evidence said authority and its exercise. In connection with the execution and delivery of the Alternate CP Documents and the issuance of a Letter of Credit by a Letter of Credit Provider, the LACMTA is hereby authorized and directed to prepare and cause to be distributed, from time to time, one or more commercial paper offering memoranda with respect to the CP Notes. All actions heretofore taken by the officers, agents and employees of the LACMTA in furtherance of this Resolution are hereby confirmed, ratified and approved.

Section 12. Severability. The provisions of this Resolution are hereby declared to be severable, and, if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

Section 13. Effective Date. This Resolution shall be effective upon adoption by the Board.

CERTIFICATION

The undersigned, duly qualified and acting as Board Clerk of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct copy of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on April 24, 2025.

By _____
Board Clerk, Los Angeles County Metropolitan
Transportation Authority

Dated: _____, 2025

Bank Recommendation Summary

Proposer	Maximum Principal Commitment	Estimated First Year Cost*	Total Estimated Costs*
Commercial Paper Support – Prop A			
Bank of America, N.A.	\$150,000,000	\$2,811,100	\$11,214,400
JP Morgan Chase Bank, N.A.	\$150,000,000	\$3,553,400	\$14,063,600
PNC Bank, N.A.	\$150,000,000	\$2,715,900	\$10,728,600
Sumitomo Mitsui Banking Corporation	\$150,000,000	\$2,688,400	\$10,588,600
TD Bank, N.A.	\$150,000,000	\$2,704,000	\$10,667,600
Revolving Line of Credit Support – Prop C			
JP Morgan Chase Bank, N.A.	\$150,000,000	\$3,275,900	\$9,727,700
PNC Bank, N.A.	\$150,000,000	\$2,481,380	\$7,344,140
BMO Bank, N.A.	\$150,000,000	\$2,465,900	\$7,297,700
Wells Fargo Bank, N.A.	\$150,000,000	\$2,617,400	\$7,752,200

Targeted firms are shown in bold.

Alternative Products – Revolving Line of Credit

TD Bank provided a proposal for a product that was less desirable to Metro and is therefore not included in the summary above.

*All Costs are based on a standardized assumption of a \$60,000,000 facility size with provided pricing for a three-year tenor (Revolving Line of Credit) and a four-year tenor (Commercial Paper).

Proposition A and C Short-Term Borrowing Programs

**Finance, Budget and Audit Committee
April 17, 2025**

Proposition A and C Short-Term Borrowing Programs

Recommendations:

ADOPT:

- A. A resolution that authorizes the Chief Executive Officer and/or other Designated Officers to renew and/or replace the existing direct-pay letter of credit (“LOC”) with respect to the Proposition A (“Prop A”) short-term borrowing program, Attachment A; and
- B. A resolution that authorizes the Chief Executive Officer and/or other Designated Officers to renew and/or replace the existing direct purchase revolving credit facility with respect to the Proposition C (“Prop C”) short-term borrowing program, Attachment B.

Background:

- The Prop A and Prop C Short-Term Borrowing programs are secured by sales tax revenues from the respective ordinances
- Current Prop A LOC with Bank of America expires in June 2025
- Current Prop C RCF with Bank of Montreal expires in May 2025

Proposition A and C Short-Term Borrowing Programs

Purpose:

- A. Provide liquidity at lowest cost of borrowed capital, maintain prudent level of risk, and preserve financial flexibility in Metro's capital structure
- B. Provide interim financing for Board-approved capital projects and programs
 - Offer financing until grant reimbursement or other funding sources are received, or until permanent financing is arranged
 - Short-term borrowing facilities are utilized for quick access to funds at the beginning of the capital project cycle

Life of a Project



Proposition A and C Short-Term Borrowing Programs

Action:

- A. Replace the existing \$150MM Prop A direct-pay letter of credit (LOC) for a 4-year term
- B. Renew the existing \$150MM Prop C direct purchase revolving credit facility (RCF) for a 3-year term

Next Steps:

- Negotiate final terms and conditions with the recommended banks
- Prepare agreements and documentation for the replacement LOC and RCF, including, among others, notices, reimbursement agreements, fee agreements, reimbursement notes, credit agreements, revolving obligation notes, supplemental trust agreements and offering memoranda
- Obtain credit ratings for the CP notes based on the credit ratings of the selected banks
- Execute documents prior to the expiration date of the current agreements



Proposition A and C Short-Term Borrowing Programs

Discussion



Board Report

File #: 2025-0112, **File Type:** Agreement

Agenda Number: 17.

FINANCE, BUDGET AND AUDIT COMMITTEE APRIL 17, 2025

**SUBJECT: LICENSE AGREEMENT WITH THE CITY OF SANTA CLARITA FOR
VIA PRINCESSA PARK PEDESTRIAN AND VEHICLE UNDERCROSSING**

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) or their designee, to execute a 45 year license agreement commencing May 1, 2025, with the City of Santa Clarita ("City") for a portion of real property located on parcel numbered (APN) 2864-003-901 ("Property") depicted in Attachment A, for a one-time administrative fee of \$1,500 ("License").

ISSUE

The City of Santa Clarita is developing the Via Princessa Park project ("Project"), which will provide recreational amenities, enhance transit accessibility, and improve environmental sustainability. The City is requesting a 45-year license for a pedestrian and restricted vehicle crossing under Metro-owned right of way. Board approval is required as the term exceeds the CEO's five-year limit.

BACKGROUND

LACMTA acquired the Property in 1991 from Southern Pacific Transportation Company ("SPTC") as part of the Saugus and Ventura Right of Way. The Metro-owned right of way is currently operated by Southern California Regional Rail Authority ("Metrolink") providing commuter train services to the region. Metrolink's Via Princessa Station ("Station") parking lot is owned by the City of Santa Clarita and serves commuter train patrons daily.

DISCUSSION

The Via Princessa Park project is a transformative investment that will provide much-needed recreational amenities, enhanced transit accessibility, and improved environmental sustainability for the City of Santa Clarita. Spanning 34 acres of primarily vacant, city-owned land, the Project will introduce multi-purpose sports fields, pickleball courts, playgrounds, walking paths, shaded gathering spaces, and public art installations, while integrating a regional stormwater infiltration facility to support water conservation and sustainability efforts.

The city-owned Metrolink Station parking lot, originally built as an emergency response to the 1994 Northridge Earthquake, will also undergo significant upgrades to support increased demand and enhance user experience. These improvements include expanding capacity to 424 spaces from 395, adding electric vehicle (EV) charging stations, upgrading lighting and landscaping, and reconfiguring circulation patterns for improved ingress and egress. The Project incorporates a regional stormwater infiltration facility to support long-term environmental sustainability.

Beyond infrastructure improvements, the Project will provide essential recreational opportunities for Santa Clarita's growing population. The park's multi-purpose fields, playgrounds, and open spaces will support community health, youth sports, and outdoor activities, fostering a stronger and more connected community. These amenities will particularly benefit disadvantaged and underserved communities in the surrounding area, ensuring equitable access to high-quality outdoor spaces that promote health and community engagement.

A key component of the Project is the construction of a grade-separated pedestrian and restricted vehicle undercrossing to replace the existing at-grade crossing at the Via Princessa Metrolink Station. This safety enhancement will provide a secure and efficient connection between the station's parking lot and the new park, eliminating conflicts between pedestrians and train operations while improving transit safety and accessibility.

Given the scale and permanence of the Project's infrastructure, a long-term license is necessary to ensure the City's ability to construct, operate, and maintain the undercrossing and associated improvements over their full lifespan. The 45-year term reflects the significant investment required for this major development and provides long-term certainty for both Metro and the City, ensuring the continued operation and public benefit of these improvements.

This Project aligns with Metro's strategic goals by enhancing pedestrian safety, improving transit connectivity, and advancing sustainability efforts. Through a collaborative partnership with the City of Santa Clarita, Metro is supporting a transformative investment that strengthens community infrastructure while fostering a more connected and environmentally resilient region.

DETERMINATION OF SAFETY IMPACT

This Board action will not have a direct impact on safety standards for Metro, but will be a safety enhancement for Metrolink employees and customers.

FINANCIAL IMPACT

There is no adverse financial impact. All proposed improvements to the Metro property will be at the sole cost and expense of the City.

Impact to Budget

This agreement will generate a one-time revenue of \$1,500.00 license fee.

EQUITY PLATFORM

The Project is designed to provide equitable access to recreational amenities, environmental benefits, and improved transportation safety for all residents, particularly those in disadvantaged and underserved communities. The Project site is located within a state-designated disadvantaged community, with the adjacent Cordova Estates mobile home community classified as severely disadvantaged. By developing this park, Metro and the City of Santa Clarita are ensuring that residents of all income levels have access to safe, high-quality outdoor spaces, sports fields, and community facilities that promote health, wellness, and social connectivity.

The new Metrolink undercrossing is a critical safety and accessibility improvement, particularly for transit-dependent residents who rely on public transportation. By eliminating the at-grade pedestrian crossing, the Project enhances safe and efficient transit access, benefiting those without personal vehicles and making it easier for residents to connect to jobs, education, and essential services.

Additionally, the park's stormwater infiltration system and environmental restoration efforts will provide long-term sustainability benefits that improve water quality, flood management, and climate resilience-critical factors in historically underserved areas.

By integrating recreational, environmental, and transit-focused improvements, the Project directly supports Metro's commitment to equity, ensuring that all communities, especially those with historically limited access to public investments, receive the same level of infrastructure, safety, and sustainability enhancements.

VEHICLE MILES TRAVELED OUTCOME

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

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. While this item does not directly encourage taking transit, sharing a ride, or using active transportation, it is a vital part of Metro operations, as it supports administrative activities related to the transit-oriented communities and the development of open space near transit. Because the Metro Board has adopted an agency-wide VMT Reduction Target, and this item supports the overall function of the agency, this item is consistent with the goals of reducing VMT

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

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports strategic plan goals #3 Enhance communities and lives through mobility and access to opportunity; #4 Transform LA County through regional collaboration and national leadership; and #5 Provide responsive, accountable, and trustworthy governance within the

Metro organization.

ALTERNATIVES CONSIDERED

The Board could choose not to approve the license agreement; however, this is not recommended. The Via Princessa Park project relies on the underpass for safe and efficient access and denying the license could significantly impact Project development and pedestrian safety at the Metrolink station.

Without the undercrossing, pedestrians would continue using the existing at-grade crossing, increasing safety risks due to train and vehicle interactions. Additionally, rejecting the license could delay or prevent planned transit, parking, and traffic circulation improvements, negatively affecting both commuters and park visitors.

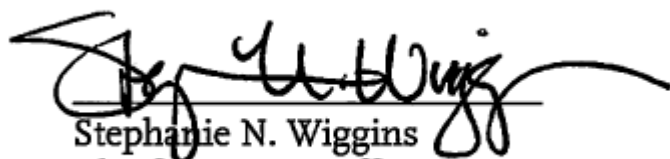
NEXT STEPS

Upon approval by the Metro Board of Directors, the License will be finalized and executed by the CEO or their designee after approval as to form by County Counsel.

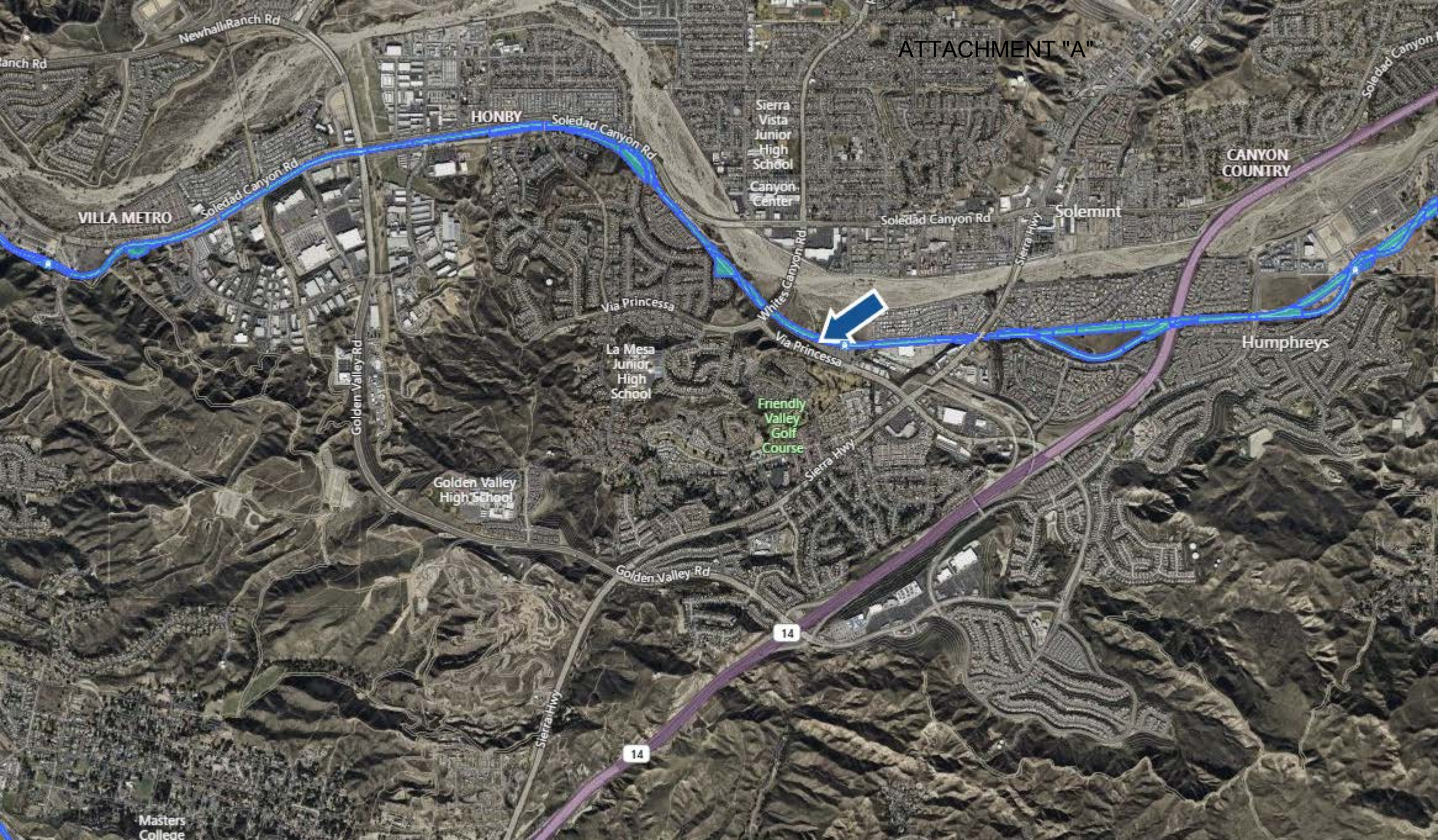
ATTACHMENTS

Attachment A - Property Location

Prepared by: Aaron Demirci, Manager, Transportation Planning, Real Estate (213) 922-2427
Diane Dominguez, Senior Director, Real Property Management and
Development, (213) 922-5253
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Reviewed by: Ray Sosa, Chief Planning Officer, (213) 547-4274



Stephanie N. Wiggins
Chief Executive Officer



ATTACHMENT "A"

VILLA METRO

HONBY

Sierra Vista Junior High School
Canyon Center

CANYON COUNTRY

Solemint

Humphreys

Friendly Valley Golf Course

Golden Valley High School

Golden Valley Rd

14

14

Masters College



Via Princess Park Project Site / Parcel

Metro ROW

Underpass Location

Via Princessa
Metrolink Station

Santa Clarita City owned parking lot

Weyerhaeuser
Santa Clarita
Distribution
Center

Whites Canyon

Via Princessa

Via Princessa

Via Princessa

Weyerhaeuser Way

Via Princessa

Via Princessa

Flowers Ct

Flowers Ct

Oak Crossing Rd

Oak Pluma Ct

Oak Branch Circle



- ### Temporary Impact



LICENSE AGREEMENT WITH THE CITY OF SANTA CLARITA FOR VIA PRINCESSA PARK PEDESTRIAN AND VEHICLE UNDERCROSSING

AGENDA ITEM #2025-0112

LICENSE AGREEMENT WITH THE CITY OF SANTA CLARITA FOR VIA PRINCESSA PARK PEDESTRIAN AND VEHICLE UNDERCROSSING

Recommendation:

AUTHORIZE the Chief Executive Officer (CEO) or their designee, to execute a 45 year license agreement commencing upon May 1, 2025, with the City of Santa Clarita (“City”) for a portion of real property located on parcel numbered (APN) 2864-003-901 (“Property”) for a one-time administrative fee of \$1,500 (“License”).

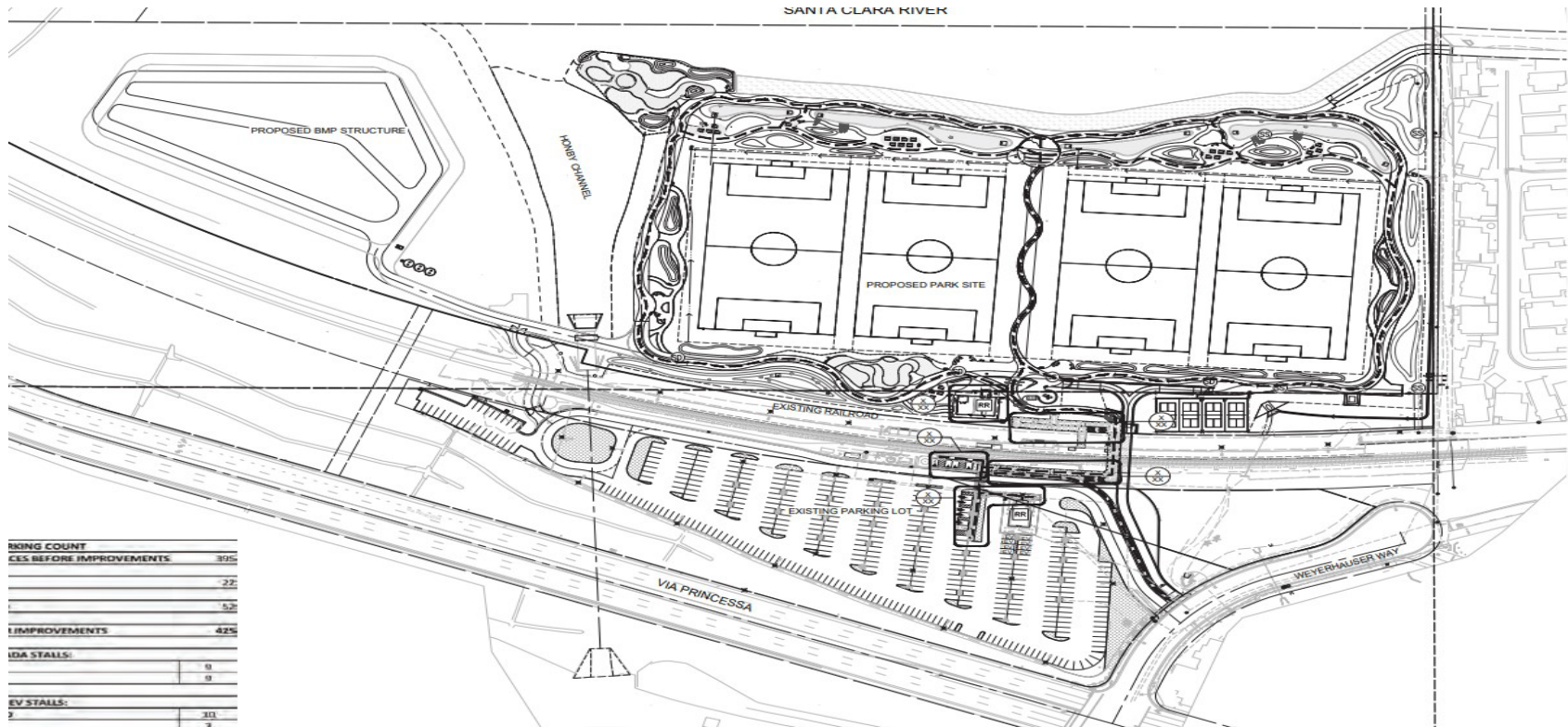
LICENSE AGREEMENT WITH THE CITY OF SANTA CLARITA FOR VIA PRINCESSA PARK PEDESTRIAN AND VEHICLE UNDERCROSSING

Property Location



LICENSE AGREEMENT WITH THE CITY OF SANTA CLARITA FOR VIA PRINCESSA PARK PEDESTRIAN AND VEHICLE UNDERCROSSING

Proposed Santa Clarita City Project



Metro®

LICENSE AGREEMENT WITH THE CITY OF SANTA CLARITA FOR VIA PRINCESSA PARK PEDESTRIAN AND VEHICLE UNDERCROSSING

Proposed Santa Clarita City Project Rendering



LICENSE AGREEMENT WITH THE CITY OF SANTA CLARITA FOR VIA PRINCESSA PARK PEDESTRIAN AND VEHICLE UNDERCROSSING

Next Steps:

Upon guidance and approval by the Metro Board of Directors, the License will be finalized and executed by the CEO or their designee after approval as to form by County Counsel. The City of Santa Clarita City Council has approved a motion that has delegated authority to the City Manager to immediately execute the necessary license agreement, upon approval of the Metro board.



Thank you



Metro



Board Report

File #: 2025-0190, **File Type:** Program

Agenda Number: 18.

FINANCE, BUDGET, AND AUDIT COMMITTEE APRIL 17, 2025

SUBJECT: PROPERTY INSURANCE PROGRAM

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to negotiate and purchase All Risk Property and Boiler and Machinery insurance policies for all Metro properties at a not-to-exceed premium of \$11 million for the 12-month period of May 10, 2025, through May 10, 2026.

ISSUE

The All-Risk Property and Boiler and Machinery insurance policies expire on May 10, 2025.

BACKGROUND

Metro's insurance broker, USI Insurance Services ("USI"), is responsible for marketing the property insurance program to qualified insurance carriers. In this challenging hard market, quotes are currently being received from, and negotiations are ongoing with, carriers that have acceptable A.M. Best ratings that are indicative of acceptable financial soundness and ability to pay claims. Premium indications are based on current market expectations. Final pricing, however, is not yet available as USI continues to broker the most competitive pricing for Metro.

Metro established the Excess Commercial Property Insurance program to protect against insured losses. Each year, Risk Management collaborates with USI to prepare for the upcoming marketing process, secure the data required to approach underwriters, and obtain the most competitive coverage and premium available.

Initial discussions begin in the first quarter of the fiscal year through an evaluation of market conditions to determine the availability of coverage and what premium levels are indicated. Once established, an annual stewardship meeting is conducted in September to review what data will be required, including new infrastructure, such as rolling stock (bus, rail, and non-revenue vehicles), real property (buildings and facilities), business personal property (equipment, furniture), and newly completed projects. Risk Management obtains status data, including targeted completion dates of various projects, to provide an accurate account of the agency's present and future property exposures.

Risk Management compiles updated information, including projected revenues, payroll, property valuations, and property distribution, as needed. Once internal data is collected, it is forwarded to USI for presentation to the domestic insurance marketplace and international markets in London, Bermuda, and European markets. Due to timing requirements, USI approaches underwriters in January to ensure that data is current. Initial indications of interest and costs generally become apparent in late March.

USI provides a not-to-exceed number that serves two functions. First, it establishes an amount that Risk Management can use to approach the CEO and Board for approval to bind the new program, mitigating a potential gap in insurance coverage. Second, it allows our broker ample time to continue negotiating with underwriters to ensure Metro secures the most competitive pricing.

DISCUSSION

Property insurance protects against losses to structures, fleets, and improvements, which are valued at approximately \$22 billion, up from last year's \$19.6 billion. The increase in total insured value is primarily due to general replacement cost growth and the revaluation of both heavy and light rail vehicles. In addition, Metro will receive the D Line Subway Extension Project - Section 1, Rail to Rail Active Transportation Corridor Project - Segment A, Airport Metro Connector (AMC), and the Foothill Extension Phase 2B to Pomona scheduled to open this year. All projects have been fully incorporated into the overall statement of values for the agency. The inclusion ensures that no gaps in protection occur during the transition to revenue operations. Property insurance is also required through contractual obligation, including lease/leaseback agreements involving several of Metro's operating assets.

USI marketed the property program to qualified insurance carriers to obtain property insurance pricing with Probable Maximum Loss (PML) coverage limits at a minimum of \$650 million. Property insurance program quotations are currently being received from carriers with acceptable A.M. Best ratings. Final pricing is pending, and the quotes, including contingencies for unanticipated adjustments, serve as a not-to-exceed cost before policy binding.

The current property program includes an All-Risk deductible of \$1,000,000 with no earthquake coverage and a flood deductible of 5% per location, subject to a \$1,000,000 minimum. USI continues negotiations with carriers regarding deductible limits and selected Metro assets, including rolling stock, non-revenue vehicles, and potential flooding in subway tunnels. Under the current program, if a loss exceeds the deductible, All-Risk coverage is provided up to \$650 million per occurrence for losses except for flood related damages that are covered up to \$150 million (tsunami and tunnels are covered up to \$50 million with a \$1,000,000 deductible). Therefore, authority for the upcoming property renewal program is requested to continue negotiations with carriers for a minimum of \$650 million in coverage limits and a not-to-exceed deductible of \$1 million. Attachment A shows the renewal program structure outline within the requested parameters. The not-to-exceed premium price includes a contingency for premium adjustments, taxes, and fees due to ongoing negotiations with insurance carriers. Attachment B further supports program selection through the removal of a 15% margin clause. Previous inclusion of the margin required Metro to participate monetarily in claims at certain thresholds. The margin removal ensures that the insurance carriers will be fully responsible to

defend on behalf of the agency once the self-insurance retention (SIR) is met.

Metro has not purchased earthquake coverage in previous years. In the event of a major disaster, we believe funding would be available through federal and state sources to restore public transportation in Southern California. The lack of earthquake coverage is consistent with decisions made by other large local government agencies.

The Terrorism Risk Insurance Act (TRIA) provides government support by providing mechanisms for spreading losses across policyholders. In the past, we rejected this coverage because of the high likelihood of federal and state funding to restore transportation services due to a serious terrorism incident. We will continue to reject terrorism coverage at the present time.

The current and recommended renewal programs for insurance are layered structures. Several insurance carriers participate in the program, each contributing a portion of coverage that maintains a diversified portfolio of carriers. Continuous monitoring through internal methods and updates provided by USI ensures that all carriers maintain financial ratings indicated by financial reporting agencies and as determined by A.M. Best.

In January, February, and March 2025, USI contacted multiple domestic and international insurance providers to present Metro's property risks and supplemental data. USI provided an overview of the Metro transit system during discussions with the underwriters, including its extensive security infrastructure, fire protection, loss control, and minimal risk of flood exposures.

The Metro property program continues to be well received by insurers due to its favorable loss history, newer construction, and State of Good Repair programs. USI presented the submission to incumbent and new insurers to create competition in the insurance marketplace and for additional capacity. Incumbent carriers were maintained but at some reduced participation, requiring additional carriers to be added to the program because of Metro's large values. Due to the continuing hard market, Metro's estimated renewal rate and premium are expected to increase, but not as significantly as in past years.

The major factors driving the rate increase include major interruptions experienced by the market. Capital (and therefore capacity) has either been exhausted or withdrawn from the market with little new capital added.

Commercial property insurance rates continue to show significant growth over several quarters. The influence of climate change on natural catastrophes, supply chain challenges, and inflation are working concurrently to push rates higher. Programs historically written by a single insurer moved to shared and layered program structures in which multiple participants provide capacity. London and Bermuda insurers took on more prominent positions in programs where admitted markets vacated or reduced capacity. While recent fires have caused catastrophic losses in Southern California, these losses are not anticipated to adversely affect the current renewal cycle as the transportation sector was not adversely impacted.

Carriers are looking to return their portfolios to profit, which has led to continuing universal rate increases even for insureds that are claims-free. Insurers are instituting more restrictive terms along

with premium increases and higher deductibles. Carriers are rating on the potential for loss (regardless of good loss history). With Metro's increased valuations on buildings, facilities, buses, and rail cars, insurance carriers are rating on the potential for total loss estimates. Although most of Metro's property is not in official flood zones, heavy rain activity over the past few years, including recent floods and mudslides, has shown Los Angeles prone to more flood and water damage than officially mapped, which is a growing concern to underwriters.

Metro has historically enjoyed some of the lowest rates among transit systems and remains an attractive client. Unfortunately, the sector is not held in the same regard it was just a few years ago, and carriers continue to reduce their appetite for transit risks. This year's renewal is again challenging, but Metro's favorable insurability, loss record, and ability to take full advantage of USI's marketing efforts in a demanding market environment places Metro at an advantage over other transit agencies in the country.

DETERMINATION OF SAFETY IMPACT

Approval of this procurement positively impacts the safety of Metro's patrons and employees. Property insurance carriers will perform certain facility inspections to mitigate potential risks or hazards and provide an overall risk assessment of Metro's assets as they underwrite the program. In addition, carriers may provide best-practice guidance to enhance Metro's risk profile.

FINANCIAL IMPACT

The funding for two months of \$1,833,334 for this action is included in the FY25 Budget in cost center 0531, Risk Management - Non Departmental Costs, under projects 100001 - General Overhead, 300022 - Rail Operations - Blue Line, 300033 - Rail Operations - Green Line, 300044 - Rail Operations - Red Line, 300055 - Gold Line, 300066 - Expo Line, 301012 - Metro Orange Line, 306001 - Operations Transportation, 306002 - Operations Maintenance, 320011 - Union Station, and 610061 - Owned Property in account 50601 (Ins Prem For Phys Damage).

The remaining ten months of premiums of \$9,166,667 are included in the FY26 Preliminary Budget under the same cost centers, projects and account listed above. Additional funds required to cover premium costs beyond FY26 budgeted amounts will be addressed by fund reallocations during the year.

Impact to Budget

The source of funding for this action will come from federal, state and local funding sources that are eligible for bus and rail operations.

EQUITY PLATFORM

The insurance policies cover all Metro-owned property, stations, tunnels, bridges, rolling stock fleet, right of ways, facilities, and buildings that provide transportation service and benefits to Metro riders. Metro's property insurance program ensures that its facilities, rolling stock fleet, and infrastructure, which serve all riders, are covered by insurance policies in the event of a major loss or damage. This

action has no specific anticipated equity benefit or harm.

VEHICLE MILES TRAVELED OUTCOME

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

While this item does not directly encourage taking transit, sharing a ride, or using active transportation, it is a vital part of Metro operations, as it provides property coverage for Metro's assets. Because the Metro Board has adopted an agency-wide VMT Reduction Target, and this item supports the agency's overall function, it is consistent with the goals of reducing VMT.

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

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports strategic plan goal #5, which is to "Provide responsive, accountable, and trustworthy governance within the LA Metro organization." The responsible administration of Metro's risk management programs includes using insurance to mitigate large financial risks resulting from damage to or loss of Metro property.

ALTERNATIVES CONSIDERED

Attachment B summarizes the current program and the recommended renewal program. Based on the history of favorable renewal and losses, Risk Management recommends continuing the current insurance program as the most cost-effective and prudent one. A proposal for earthquake coverage was not included and is not recommended because the high cost of the earthquake premium does not justify the benefit of the coverage.

NEXT STEPS

Upon Board approval of this action, staff will advise USI to proceed with the placement

ATTACHMENTS

Attachment A - Recommended Program Pricing and Carriers

Attachment B - Alternatives Considered

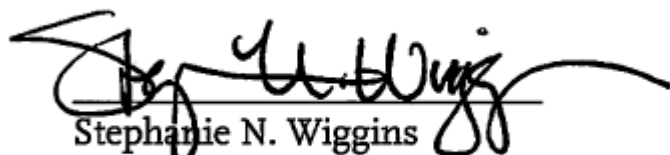
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Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

RECOMMENDED PROGRAM PRICING AND CARRIERS



USI Insurance Services

Proposed Property Insurance 2025 - 2026

Los Angeles County Metropolitan Transportation Authority

Limit	Excess of	Coverage	Carrier	Participation (\$)	Participation (%)	Total Premium (incl taxes & fees)
\$500M	\$150M	All Risk Excluding Flood & Earthquake	Chubb Bermuda	\$450,000,000	100%	\$1,120,000
			Chubb Bermuda	\$50,000,000	100%	\$247,000
				\$500,000,000	100%	\$1,367,000
\$150M	Underlying Deductibles	All Risk Excluding Earthquake	Various Carriers	\$150,000,000	100%	\$9,623,380
				\$150,000,000	100%	\$9,623,380

Estimated Program Not-To-Exceed Total*

\$11,000,000

*Subject to finalization of on-going negotiations with carriers. Estimates shown are not to exceed premiums.

2025/2026 Total Insured Values:

\$22,020,311,924

Terrorism pricing is not included above.

Chubb Higher Limit Options:

- USD 100,000,000 xs USD 650,000,000 xs underlying deductibles/retentions @ USD 250,000

Non-TRIA Terrorism Quote:

TIV: \$22,020,311,924

Loss Limit: \$250M

Deductible: \$250k deductible

Premium: \$200,000

Option To Include NCBR - \$50M Limit

Deductible: \$250,000

Premium: \$525,000

ATTACHMENT B**ALTERNATIVES CONSIDERED**

	Current Program	Recommended Program
Total Insured Values	\$19,672,735,643	\$22,020,311,924
Deductibles	Up to \$1,000,000 All Risk / 5% of location per unit value for Flood *	Up to \$1,000,000 All Risk / 5% of location per unit value for Flood *
15% Margin Clause	Included	Removed
All Risk Limits	\$650 Million	Min. \$650 Million
Flood Limits	\$150 Million	\$150 Million
Earthquake Limits	None	None
Terrorism	None	None
Total not to Exceed or Actual Premium	\$9,439,126**	\$11,000,000**

*\$50 million limit on tsunami/flood in tunnels with \$1,000,000 deductibles.
\$25 million limit for flood in special flood hazard areas.

**Not to exceed amounts, subject to no losses until expiring.

Chubb Higher Limit Options:

- USD 100,000,000 xs USD 650,000,000 xs underlying deductibles/retentions
@ USD 250,000

Non-TRIA Terrorism Quote:

TIV: \$22,020,311,924

Loss Limit: \$250M

Deductible: \$250k deductible

Premium: \$200,000

Option To Include NCBR - \$50M Limit

Deductible: \$250,000

Premium: \$525,000



Property Insurance Program Renewal

Finance, Budget, and Audit Committee

April 17, 2025

File ID #2025-0190



Metro

Property Insurance Program Renewal

Recommendation:

AUTHORIZE the Chief Executive Officer to negotiate and purchase All Risk Property and Boiler and Machinery insurance policies for all Metro properties at a not-to-exceed premium of \$11 million for the 12-month period of May 10, 2025, through May 10, 2026.

Property Insurance Program Renewal

Background:

- Metro established the Excess Commercial Property Insurance program to protect against insured losses. Each year, Risk Management collaborates with our insurance broker (USI) to prepare for the upcoming marketing process, secure the data required to approach underwriters, and obtain the most competitive coverage and premium available.
- USI provides a not-to-exceed number that serves two functions. First, it establishes an amount that Risk Management can use to approach the CEO and Board for approval to bind the new program, mitigating a potential gap in insurance coverage. Second, it allows our broker ample time to continue negotiating with underwriters to ensure Metro secures the most competitive pricing.

Property Insurance Program Renewal

Discussion:

- In January, February, and March 2025, USI contacted multiple domestic and international insurance providers to present Metro's property risks and supplemental data. USI provided an overview of the Metro transit system during discussions with the underwriters, including its extensive security infrastructure, fire protection, loss control, and minimal risk of flood exposures.
- The Metro property program continues to be well received by insurers due to its favorable loss history, newer construction, and State of Good Repair programs.
- Metro has historically enjoyed some of the lowest rates among transit systems and remains an attractive client. This year's renewal is challenging due to continued rate increases, but Metro's favorable insurability, loss record, and ability to take full advantage of the marketing efforts of our broker in a demanding market environment places Metro at an advantage over other transit agencies in the country.

Property Insurance Program Renewal

Proposed Coverage:

- USI marketed the property program to qualified insurance carriers to obtain property insurance pricing for the current total insured value of \$22 billion with a Probable Maximum Loss (PML) coverage limits at a minimum of \$650 million.
- Property insurance program quotations are currently being received from carriers with acceptable A.M. Best ratings. Final pricing is pending, and the quotes, including contingencies for unanticipated adjustments, serve to support the not-to-exceed cost before policy binding.



Thank you.



Metro®



Board Report

File #: 2025-0118, **File Type:** Informational Report

Agenda Number: 19.

FINANCE, BUDGET, AND AUDIT COMMITTEE APRIL 17, 2025

SUBJECT: REVIEW OF METRO BUS STOPS CLEANLINESS AND SAFETY

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE Office of the Inspector General (OIG) Final Report on Review of Metro Bus Stops Cleanliness and Safety.

ISSUE

The Office of the Inspector General (OIG) reviewed a sample of Metro bus stops for cleanliness and safety. The public considers cleanliness and safety as critical factors in deciding whether to take public transportation. The primary purpose of this review is to ensure that practices for bus stops cleaning and safety are sufficient and meet or exceed any industry benchmarks for cleanliness, hygiene, and standards for the safety of bus stops.

BACKGROUND

As of October 31, 2024, Metro has 12,033 bus stops serving 1,447 square miles in Southern California. Metro operates 119 lines and Contracted Services operates 12 lines. Metro directly operates a bus fleet of 1,930 buses. There are 109 buses assigned to contractors to provide service on Metro routes.

Metro maintains 137 bus stops throughout the system and the balance of bus stops on the system are to be maintained by local municipalities across the County.

Maintaining bus stops is crucial for ensuring a clean and safe environment for employees, customers, and visitors. These practices are essential in creating a pleasing aesthetic and reflect Metro's mission to provide a world-class transportation system for all and the vision to provide high-quality mobility options and outstanding trip experiences for all.

The ability for riders to get to and from, or access to, transit stops is critical for providing a safe, pleasant, and convenient trip from beginning to end. Improvements to riders' experience and access to bus stops can yield higher ridership and greater customer satisfaction.

The 2028 Summer Olympics and Paralympics, commonly known as the 2028 Games, are upcoming international multi-sport events scheduled to take place from July 14 to 30 and August 15 to 27, 2028, respectively.

More people are expected to utilize Metro public transit during the 2028 Games. It is important to ensure that Metro bus stops are clean and safe for all riders before the 2028 Games and other events such as the 2026 FIFA World Cup.

A high level of maintenance for bus stops is designed to ensure the safety and accessibility of passengers. Standards are developed by a combination of federal, state, and local regulations, with an emphasis on visibility, accessibility, and pedestrian safety. The standards include Americans with Disabilities Act (ADA) compliance, clear signages, and proper lighting, which should be located to maximize safety, minimize the risk of collisions, and minimize impacts on adjacent property. Bus stops should be located away from potential safety risks, such as intersections, railroad crossings, and high-crime activity areas. Amenities like benches, trash receptacles, and shelters are encouraged.

Managed under Facilities Maintenance, Metro's Stops and Zones Department is responsible for maintaining the satisfactory conditions of Metro's 137 bus stops maintained by Metro. Their tasks include installation, removal/reinstallation, cleaning Metro signs and posts, removing trash, and performing other preventative maintenance. If the bus stop zones require maintenance by outside contractors or other governmental municipalities, Stops and Zones personnel inform their respective supervisors, who in turn contact the appropriate entity, municipality, or contractor, to address the noted issue(s).

Local Municipalities are responsible for maintaining nearly 12,000 bus stops in the public easements while Metro is responsible for maintaining 137 bus stops across the system. Metro owns the posts where Metro signs are installed and, in some cases, non-Metro bus stop signs are also installed on Metro posts.

DISCUSSION

Our review found that Metro generally complies with its policies on cleanliness and the industry safety standards for bus stops and ensures that Metro-owned bus stops meet regional accessibility and safety needs.

Of the 245 bus stops we reviewed across the Metro system, we found two issues on Metro-owned bus stops; however, we found 83 issues on bus stops in the public easements that require local municipalities to address:

- The majority of the issues were related to cleanliness such as graffiti in bus stop shelters and benches, dirty sidewalks, and overfilled or uncollected trash bins. Other maintenance issues that need to be addressed include broken or rusty shelters and benches.
- We also noted illicit activities involving drugs at a bus stop at Figueroa & 7th Street, a very active area for bus patrons, and some areas close to tourist attractions, such as Crypto.com

Arena and the Grammy Museum at LA Live in Downtown Los Angeles. In addition, we witnessed streetwalkers or apparent sex workers in the Figueroa Corridor that were sometimes close to bus stops.

- We also found safety and cleanliness issues with nearby homeless encampments, bus stops with improper and inadequate lighting, and vehicles parked at the bus stops in no parking zones.

We found issues on 35% of the sampled bus stops. This should be measured to see improvements over time, before the 2026 FIFA World Cup and the 2028 Olympics and Paralympic Games.

From the sampled bus stops we reviewed, most were on public easements maintained by local municipalities. We contacted 14 municipalities across Los Angeles County to inform them of our report on the review of bus stops including issues we found in their jurisdictions. Most municipalities stated that they took immediate action to address issues such as dirty sidewalks and graffiti as we informed them during the audit. Some of the municipalities have in-house staff, while others have contractors, who regularly clean the bus stop amenities and sidewalks, as well as provide as-needed repairs. Most of the local municipalities said that Metro's Stops and Zones Department informs them when their bus stops have any maintenance problems that need immediate attention.

We found the response from the City of Los Angeles did not directly address our recommendations or deliver a solution to bus stop cleanliness and safety. We recommend that they coordinate with Metro departments to develop a workable plan that addresses cleanliness, maintenance, and safety issues at the bus stops within their area of responsibility (public rights-of-way.)

The public considers cleanliness and safety as critical factors in deciding whether to take public transportation. This includes having safe and convenient access to bus stops. With clean and safe bus stops, Metro may increase patron satisfaction, ridership, and revenue.

RECOMMENDATIONS

We recommend the following:

OPERATIONS (STOPS AND ZONES DEPARTMENT)

1A: Graffiti on Bus Stop Furniture

For Metro-owned bus stops:

1. Utilize effective methods for easy graffiti removal such as specialized coating on the shelter and bench surfaces.
2. Ensure that all required cleanings are performed within the specified goal date (e.g., ten days from receipt of the report).

For non-Metro-owned bus stops:

3. Continue to report graffiti to the respective jurisdiction that should implement regular graffiti removal practices to maintain the cleanliness of the bus shelter/bench.
4. Develop a procedure to log in and follow up with notifications to local municipalities, their contractors, and/or other transit agencies to take action on the issues reported.

1B: Graffiti on Newly Installed Electronic Paper Displays

5. Continue to perform regular inspections of the e-paper displays to ensure that the units are free of graffiti; advise the contractor if graffiti is seen or if other maintenance is needed.
6. Investigate if there is any screen protector, paint, or texturizer that could be applied to these displays to make them harder to graffiti and faster or easier to clean of graffiti.

1C: Bus Stops with Trash Issues

7. For Metro-owned bus stops, continue to implement regular cleaning schedules and increase the frequency of cleaning for the locations that repeatedly exhibit cleanliness issues.
8. For non-Metro-owned bus stops, report cleanliness issues to the respective local municipalities, and their contractors.
9. Work with respective local municipalities to provide notices or flyers to educate the public on how to dispose of trash/waste properly at bus stops.
10. Work with respective local municipalities to provide an information campaign by media, signs, notices, or flyers to educate the public on how to dispose of trash/waste properly at bus stops.
11. Establish a cleanliness hotline as part of the digital dashboard program and a new agency customer interaction application under development.

1D: Maintenance Issues

12. Request the local municipalities ensure that the riding public is provided with reasonable comfort and convenience such as shelter seating at bus stops maintained by them.

1E: Overgrown Tree Blocking the Bus Stop Sign

13. Properly trim, prune, and maintain trees near bus stops to ensure the visibility of the bus stop sign. Ask municipalities to trim landscapes at bus stops maintained by them.

1F: Bus Stop Sign without the Line Number

14. Address the noted issues promptly to ensure that the riding public is provided with reasonable comfort and necessary information (e.g., proper signage).

For All Cleanliness and Maintenance Issues:

15. Consider communicating bus stop repairs to the public with a public-facing “dashboard” on Metro’s website that will provide transparency and information to the public about any reported bus stops that require maintenance or repair. (See Attachment C.)

2A: No Proper Lighting

16. Continue to test and determine the effectiveness of the independent solar panel lights on top of the signposts. Consider expanding use of the solar lights if the cost and benefits of these lights prove to be a good solution.
17. Identify bus stop zones that need improved lighting and create a light improvement plan for Metro-maintained stops or inform the local municipality to enhance passenger safety for municipalities-maintained stops with improved lighting.

-
18. Post Metro Maintenance Dashboard contact information allowing passengers to easily report lighting and other issues at the bus stop(s).
 19. Consider sustainable options like lights generated by small solar panels or other environmentally conscious methods, as stated earlier.

2B: Vehicles Parked in Bus Stops

20. Monitor the effectiveness of the Bus Lane Enforcement (BLE) program in keeping Metro bus lanes clear from parked vehicles across the system to improve transit safety and reliability.
21. Have the bus operator inform the BOC to inform the road supervisor of vehicles at the bus stop to get the plate number and call traffic enforcement for towing.

2C: Homeless Encampment and Individuals in Bus Stops and Parking Lot

22. Discuss with the local municipalities the development of a plan to perform outreach, fencing, or similar deterrents to discourage homeless encampments.
23. Work with Metro-related departments to collaborate with local governments, community organizations, and/or other transit agencies to provide outreach and support services and programs to homeless individuals.
24. Post signs at the bus stops and in buses where to go or call for shelter and other services.

2D: Illicit Activity Involving Drugs at Figueroa & 7th Street Bus Stop

25. Discuss with local law enforcement and Metro System Security & Law Enforcement the possibility of assigning Security or law enforcement personnel around highly active bus stops to discourage or prevent homeless individuals and other people from engaging in illegal activities at Metro-maintained bus stops.
26. Coordinate with law enforcement agencies, municipalities, and other transit agencies sharing the same bus stop, and local business security to determine how this issue can be effectively addressed and resolved. Request municipalities to assign law enforcement or personnel to discourage and address illicit activities near bus stops.
27. Discuss with municipalities their arrangements for improved security for municipalities-maintained bus stops.

2E: Streetwalkers in the Figueroa Corridor

28. Coordinate with law enforcement to implement security measures that will deter illegal activities in municipality-maintained bus stop zones. Join the task force that is operating the effort. Request municipalities to assign law enforcement or other personnel to address illegal activities.
29. Metro should work with other local entities that have programs to provide resources and opportunities to help vulnerable individuals disengage from illegal activities.
30. Obtain updates on the Figueroa Corridor Human Trafficking Initiative and review any recommendations.
31. Consider additional safety measures at Metro bus stops where this kind of activity is regularly observed.

3A: Lawsuits Involving Bus Stops

32. Regularly inspect all Metro signposts, sidewalks, and Metro-owned bus stops, shelters, and seats to ensure that they are safe and there are no hazards to the public.
33. Report any hazardous areas that may lead to an injury or lawsuit involving bus stops at public easements. Use

the dashboard recommended in Attachment C.

3B: Non-Compliance of the Contractor with the Terms of the Contract

34. Enforce contractor compliance with the terms of the contract; i.e., e-paper displays are completely installed and maintained, and all required documentation such as photos of the units are submitted.
35. Continue to regularly inspect the e-paper displays to ensure that they are functioning properly.

COMMUNICATIONS

36. Consider communicating bus stop repairs to the public with a public-facing “Dashboard” on Metro’s website that will provide transparency and information to the public about any reported bus stops that are in the process of maintenance or repair. (See Attachment C.)

LOCAL MUNICIPALITIES

37. Monitor and correct deficiencies at bus stops on public easements they own and do not rely solely on Metro reporting cleanliness or safety issues.
38. Regularly monitor and take corrective action to clean and repair bus stops maintained by the municipality.

EQUITY PLATFORM

It is the OIG’s opinion that there are no equity considerations or impacts resulting from this audit. However, to the extent any of the bus stops with noted deficiencies are located in equity focus communities, the recommendations, if acted upon, can make bus stops and surrounding areas cleaner and safer in those locations.

VEHICLE MILES TRAVELED OUTCOME

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

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT.

This item supports Metro’s systemwide strategy to reduce VMT through bus stop maintenance, increasing cleanliness and safety that will improve and further encourage transit ridership and active transportation. Metro’s Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

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

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendations support strategic plan goal no. 2: Deliver outstanding trip experiences for all users of the transportation system.

NEXT STEPS

Metro management and relevant municipalities may collaborate to implement the audit report recommendations.

ATTACHMENT

Attachment A - Final Report on Review of Metro Bus Stops Cleanliness and Safety (Report No. 25-AUD-05)

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**Los Angeles County
Metropolitan Transportation Authority
Office of the Inspector General**

**Review of Metro Bus Stops
Cleanliness and Safety**

Report No. 25-AUD-05

April 02, 2025



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Metro

**Los Angeles County
Metropolitan Transportation Authority**

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DATE: April 02, 2025

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SUBJECT: Final Report on Review of Metro Bus Stops Cleanliness and Safety
(Report No. 25-AUD-05)

INTRODUCTION

The public considers cleanliness and safety as critical factors in deciding whether to take public transportation. This includes having safe and convenient access to bus stops. In 2022, Washington D.C. Metropolitan Area Transit Authority (WMATA) studied station cleaning and concluded “As customers return to the Metro system, a clean and safe environment promotes a positive image for WMATA and helps build customer confidence”.¹ A more recent study in 2023 by the European Transport Research Review discusses “Factors that make public transport systems attractive: a review of travel preferences and travel mode choices”,² and includes a discussion on cleanliness and safety.

The LA Metro Office of the Inspector General (OIG) performed on-site inspections for a sample of Metro bus stops across Los Angeles County’s five supervisorial districts, and reviewed Metro bus stop cleanliness and safety operations. The primary purpose of this review is to ensure that practices for bus stop cleaning and safety are sufficient and they meet or exceed any industry benchmarks for cleanliness, hygiene, and standards for the safety of bus stops.

Our review found that Metro generally complies with the industry safety standards for bus stops and ensures that Metro-owned bus stops meet regional accessibility and safety needs, often conducting site evaluations for compliance with ADA and local ordinances. Metro’s Stops and Zones Department is primarily responsible for maintaining the Metro bus stops across the system excluding the ones that cities maintain, and has a Maintenance Plan that outlines the process to maintain the satisfactory conditions and cleanliness of Metro bus stop zones and terminals.

¹ [Special-Project-Report-Station-Cleaning-Inspection-IG-Final-Redacted-Final.pdf](#)

² [Factors that make public transport systems attractive: a review of travel preferences and travel mode choices.](#)

Based on our inspections, we found that out of the 245 bus stops we reviewed, there were various issues on 85 or 35% of the bus stops. The majority of the issues were related to cleanliness such as graffiti in bus stop shelters and benches, dirty sidewalks, and overfilled or uncollected trash bins. There were also other maintenance issues that needed to be addressed such as broken or rusty shelters and benches.

We also noted illicit activities involving drugs at a bus stop in Figueroa & 7th Street, a very active area for bus patrons, and some areas close to tourist attractions, such as Crypto.com Arena and the Grammy Museum at LA Live in Downtown Los Angeles. In addition, we witnessed streetwalkers or sex workers soliciting in the Figueroa Corridor.

Furthermore, we found safety and cleanliness issues with nearby homeless encampments, bus stops with improper and inadequate lighting, and vehicles parked at some bus stops.

From the sampled bus stops we reviewed, most were on public easements. We contacted 14 municipalities across Los Angeles County to inform them of our review of bus stops report and the issues we found in their jurisdiction. Most municipalities stated that they took immediate action to address issues such as dirty sidewalks and graffiti. Some of the municipalities have in-house staff, while others have contractors, who regularly clean the bus stop amenities and sidewalks, as well as provide as-needed repairs. Most of the local municipalities said that Metro's Stops and Zones Department informs them when their bus stops have any maintenance problems in need of immediate attention.

We found the response from the City of Los Angeles did not directly address our recommendations or deliver a solution to bus stop cleanliness and safety. We recommend that they coordinate with Metro departments to develop a workable plan that addresses cleanliness, maintenance, and safety issues at the bus stops within their area of responsibility (public rights-of-way).

With the 2028 Olympics and Paralympics, commonly known as the 2028 Games, and other significant events to be held in Los Angeles in the future, the public transportation system will play a crucial role to accommodate and support these events. Metro and the local municipalities need to work together to provide cleanliness, comfort, safety, and security at the bus stops and their surrounding areas.

OBJECTIVES, METHODOLOGY AND SCOPE OF REVIEW

The key objectives of this review are to determine whether:

- Metro's existing cleaning protocols and procedures meet industry standards;
- Cleaning protocols and procedures for Metro bus stops are effective;
- Bus stops are cleaned and maintained according to Metro protocols and procedures; and

- Bus stops are clean and safe for Metro employees, customers, visitors, and surrounding communities.

To achieve the review objectives, we performed the following procedures:

- Obtained and reviewed applicable policies and procedures;
- Interviewed Metro staff from Operations' Stops and Zones, Risk Management, and Corporate Safety, as well as personnel from the municipalities;
- Reviewed contracts, organizational charts, schedules, and other documents;
- Inquired about past and pending lawsuits involving incidents on Metro bus stops; and
- Performed on-site inspections on sample bus stops across Los Angeles County's five supervisorial districts.

This review focused on Metro bus stops for 17 bus lines with high ridership and certain routes that may be used in the 2028 Olympics. (See Attachment A.)

In our review of 245 bus stops across Metro's system, we sampled approximately 2 percent of the total bus stops in each of the five supervisorial districts.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

BACKGROUND

As of October 31, 2024, Metro has 12,033 bus stops serving 1,447 square miles in Southern California. Metro operates 119 lines and Contracted Services operates 12 lines. Metro directly operates a bus fleet of 1,930 buses. There are 109 buses assigned to contractors to provide service on Metro routes.

Metro maintains 137 bus stops throughout the system and the balance of bus stops on the system are to be maintained by local municipalities across the County.

Maintaining bus stops is crucial for ensuring a clean and safe environment for employees, customers, and visitors. These practices are essential in creating a pleasing aesthetic and reflect Metro's mission to provide a world-class transportation system for all and the vision to provide high-quality mobility options and outstanding trip experiences for all.

The ability for riders to get to and from, or access to, transit stops is critical for providing a safe, pleasant, and convenient trip from beginning to end. Improvements to riders' experience and access to bus stops can yield higher ridership and greater customer satisfaction.

The 2028 Summer Olympics and Paralympics, commonly known as the 2028 Games, are upcoming international multi-sport events scheduled to take place from July 14 to 30 and August 15 to 27, 2028, respectively.

More people are expected to utilize Metro public transit during the 2028 Games. It is important to ensure that Metro bus stops are clean and safe for all riders before the 2028 Games and other events such as the 2026 FIFA World Cup.

A high level of maintenance for bus stops is designed to ensure the safety and accessibility of passengers. Standards are developed by a combination of federal, state, and local regulations, with an emphasis on visibility, accessibility, and pedestrian safety. The standards include Americans with Disabilities Act (ADA) compliance, clear signages, and proper lighting, which should be located to maximize safety, minimize the risk of collisions, and minimize impacts on adjacent property. Bus stops should be located away from potential safety risks, such as intersections, railroad crossings, and high-crime activity areas. Amenities like benches, trash receptacles, and shelters are encouraged.

Managed under Facilities Maintenance, Metro's Stops and Zones Department is responsible for maintaining the satisfactory conditions of Metro's 137 bus stops maintained by Metro. Their tasks include installation, removal/reinstallation, cleaning Metro signs and posts, removing trash, and performing other preventative maintenance. If the bus stop zones require maintenance by outside contractors or other governmental municipalities, Stops and Zones personnel inform their respective supervisors, who in turn contact the appropriate entity, municipality, or contractor, to address the noted issue(s).

Local Municipalities are responsible for maintaining nearly 12,000 bus stops in the public easements while Metro is responsible for maintaining 137 bus stops across the system. Metro owns the posts where Metro signs are installed and, in some cases, non-Metro bus stop signs are also installed on Metro posts.

RESULTS OF REVIEW

Our review found the following issues:

1. Cleanliness and Maintenance

A. Graffiti on Bus Stop Furniture

Some bus stops have furniture such as bus stop shelters and benches aimed to provide shelter, safety, and comfort to commuters. The furniture installed at bus stops is on public easements and owned by local municipalities. We found graffiti on bus stop furniture at several locations that may create a negative impression of Metro and have an adverse effect on ridership. Heavy graffiti may be associated with higher crime rates and create the perception of unsafe conditions for commuters while waiting for the bus and may discourage them from taking public transportation.

Below are some of the pictures showing graffiti on bus stop shelters and furniture:

Picture 1 - Line 2: Sunset & Maltman



(9/25/2024)

Picture 2 - Line 204: Vermont & Beverly



(10/22/2024)

Picture 3 - Line 2: Alvarado & 6th



(10/22/2024)

Picture 4 - Line 4: Santa Monica & Vermont



(10/22/2024)

Table 1 summarizes the bus stop locations where graffiti was found on bus stop furniture across the five supervisory districts that are maintained by the local municipalities.

Table 1 – Bus Stops with Graffiti

District	City	Total
District 1	Boyle Heights	4
	Hollywood	2
	Los Angeles City/Area 1	3
	Silver Lake	2
District 1 Total		11
District 2	Culver City	1
	Los Angeles City/Area 3	3
	Park La Brea	1
District 2 Total		5
District 3	Los Angeles City/Area 3	2
	Van Nuys	1
District 3 Total		3
District 4	Cerritos	1
	Norwalk	1
	Santa Fe Springs	1
District 4 Total		3
District 5	Lakeview Terrace	2
District 5 Total		2
Grand Total		24

The Senior Manager of Facilities Maintenance – Stops and Zones Department stated that Metro ambassadors now report when they see graffiti at Metro bus stops and send an email to Bus Stop Management System (BSMS). The Stops and Zones Department reviews the emails every day and removes the graffiti if the bus stop is on Metro-owned property. If the graffiti is on non-Metro-owned property, they inform the respective parties (e.g., contractors of the local municipalities) to take corrective actions.

Recommendations:

Operations (Stops and Zones)

For Metro-owned bus stops:

- Utilize effective methods for easy graffiti removal such as specialized coating on the shelter and bench surfaces.
- Ensure that all required cleanings are performed within the specified goal date (e.g., ten days from receipt of the report).

For non-Metro-owned bus stops:

- Continue to report graffiti to the respective jurisdiction that should implement regular graffiti removal practices to maintain the cleanliness of the bus shelter/bench.
- Develop a procedure to log and follow up with notifications to local municipalities, their contractors, and/or other transit agencies to take action on the issues reported.

Local Municipalities

- Monitor and correct deficiencies at bus stops on public easements they maintain and do not rely solely on Metro reporting cleanliness or safety issues.

B. Graffiti on Newly Installed Electronic Paper Displays

On March 21, 2023, Metro entered into a contract with Peacock Systems to furnish, install, and maintain electronic (e-paper) displays throughout Los Angeles County for \$310,566.10. The e-paper display screen shows bus route information, next arrival times, and contact information for assistance.

According to the Senior Manager of Stops and Zones, Facilities Maintenance, the Contractor had already installed the e-paper display on 45 bus stops along Vermont Avenue covering Lines 204 and 754. The installation of these 45 e-paper screens was completed in June 2024. The Senior Manager added, *“At the request of Transit Management Systems Dept., 45 of 50 units were*

installed to keep spares on hand to manage the rate at which the units are vandalized. Stops & Zones field personnel inspect the units weekly for condition and operation."

We inspected 16 of the 45 e-paper displays in September 2024 and found that two units were already vandalized, as shown in Pictures 5 and 6 below:

Picture 5 - SB: Vermont & Beverly



(9/25/2024)

Picture 6 - NB: Vermont and Santa Monica



(9/25/2024)

We informed Stops and Zones about these two units and they advised us that the contractor had removed the graffiti, as required in the contract. On December 2, 2024, we verified the graffiti was cleared on these displays.

Recommendation:

Operations (Stops and Zones)

- Continue to perform regular inspections of the e-paper displays to ensure that the units are free of graffiti; advise the contractor if graffiti is seen or if other maintenance is needed.
- Investigate if there is any screen protector, paint, or texturizer that could be applied to these displays to make them harder to graffiti and faster or easier to clean of graffiti.

C. Bus Stops with Trash Issues

Our review found several bus stops with cleanliness issues such as accumulated trash, litter, or dirty sidewalks.

Dirty bus stops may have a negative impact on public perception of transit, potentially deterring ridership, while also contributing to a less sanitary environment for waiting passengers, potentially increasing exposure to harmful pollutants and impacting public health, particularly for individuals with respiratory issues due to accumulated dust and debris.

Two of the municipality-maintained bus stops had cleanliness issues at the following locations:

Picture 7 - Line 2: Alvarado & Olympic



(10/22/2024)

As shown in the above Picture 7, there was a homeless camp in this location contributing to cleanliness issues.

Picture 8 - Line 105: La Cienega & Pico



(10/28/2024)

In addition to an over-filled trash can, the street was found to have several large holes or uneven ground surfaces in this location, which is a safety hazard to the public. There were also writings on the sidewalk, a dirty curb, and puddles of water from the unevenness of the sidewalk.

The bus stops with trash problems were all in public easements under the jurisdiction of the local municipalities. The Metro-owned bus stops we reviewed such as those in Metro bus terminals were all clean.

Table 2 shows the summary of bus stops with cleanliness issues, which are all maintained by the local municipalities.

Table 2 – Bus Stops with Cleanliness Issues

District	City	No. of Bus Stops
⊖ District 1	E Los Angeles	1
	Echo Park	1
	El Monte	1
	Los Angeles City/Area 1	5
	Monterey Park	2
	Rosemead	2
	Westlake	1
District 1 Total		13
⊖ District 2	Culver City	2
	Hancock Park	1
	Hyde Park	1
	Inglewood	2
	Lawndale	1
	Los Angeles City/Area 3	2
	Los Angeles City/Area 4	3
District 2 Total		12
⊖ District 3	Hollywood	1
	Van Nuys	2
	West Los Angeles	1
	Winnetka	1
District 3 Total		5
⊖ District 4	Los Angeles City/Area 6	3
	Vernon	1
District 4 Total		4
⊖ District 5	Lakeview Terrace	1
	North Hollywood	1
District 5 Total		2
Grand Total		36

Recommendations:

Operations (Stops and Zones)

- For Metro-owned bus stops, continue to implement regular cleaning schedules and increase the frequency of cleaning for the locations that repeatedly exhibit cleanliness issues.
- For non-Metro-owned bus stops, report cleanliness issues to the respective local municipalities, and their contractors.
- Work with respective local municipalities to provide an information campaign by media, signs, notices, or flyers to educate the public on how to dispose of trash/waste properly at bus stops.
- Work with respective local municipalities to implement mechanisms for passengers to report unclean bus stops to transit authorities.
- Establish a cleanliness hotline as part of the digital dashboard program and a new agency customer interaction application under development.

Local Municipalities

- Regularly monitor and take corrective action to clean and repair bus stops maintained by the municipality.

D. Maintenance Issues – Broken and Rusty Shelter or Bench, No Shelter Seating

Our review found municipality-maintained bus stops with maintenance issues on furniture such as the following:

- **Broken Shelter Wall on Four Bus Stops for Line 40 in Hawthorne (District 2)**

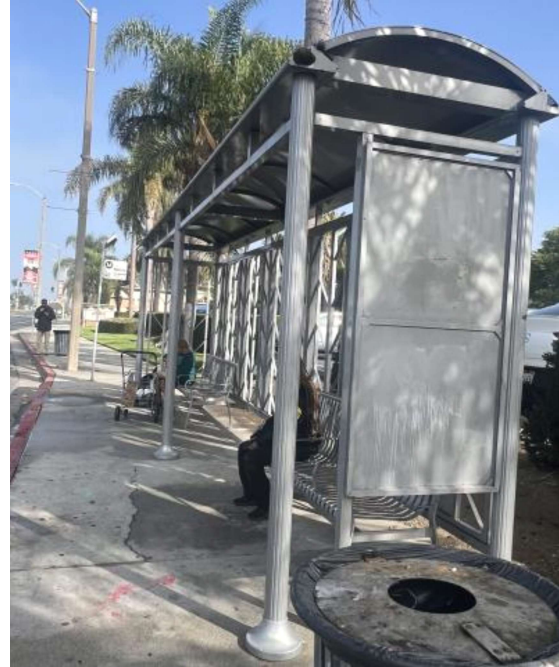
We found that the plexiglass on the frame was either broken or missing, see Pictures 9 through 12.

Picture 9 - Hawthorne & Broadway
(Broken Plexiglass)



(10/25/2024)

Picture 10 - Hawthorne & El Segundo
(Missing Plexiglass)



(10/25/2024)

Picture 11 - Hawthorne & 118th
(Broken Plexiglass)



(10/25/2024)

Picture 12 - Hawthorne & 135th
(Broken Plexiglass)



(10/25/2024)

- **Rusty Shelter and Bench**

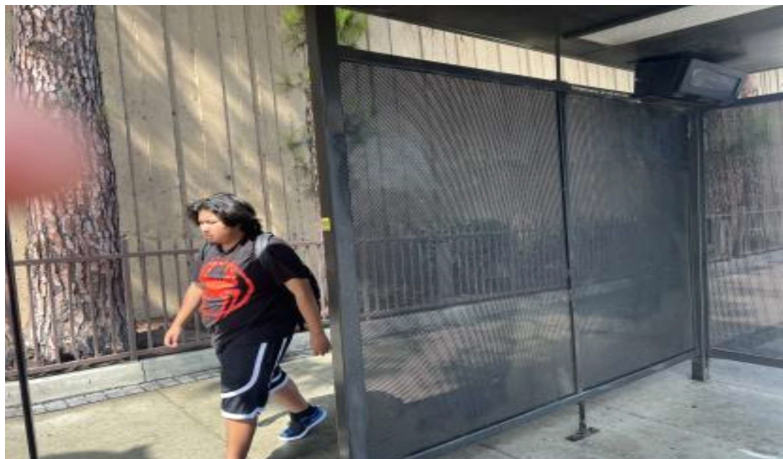
Picture 13 - Line 70: Cesar Chavez & Dangler



(10/28/2024)

- **No Shelter Seating**

Picture 14 - Line 204: Vermont & Melrose



(9/25/2024)

Recommendation:

Operations (Stops and Zones)

- Request the local municipalities ensure that the riding public is provided with reasonable comfort and convenience, such as shelter seating at bus stops maintained by them.

E. Overgrown Tree Blocking the Bus Stop Sign

Picture 15 - Line 16: 3rd & Crescent Heights



(11/04/2024)

Recommendation:

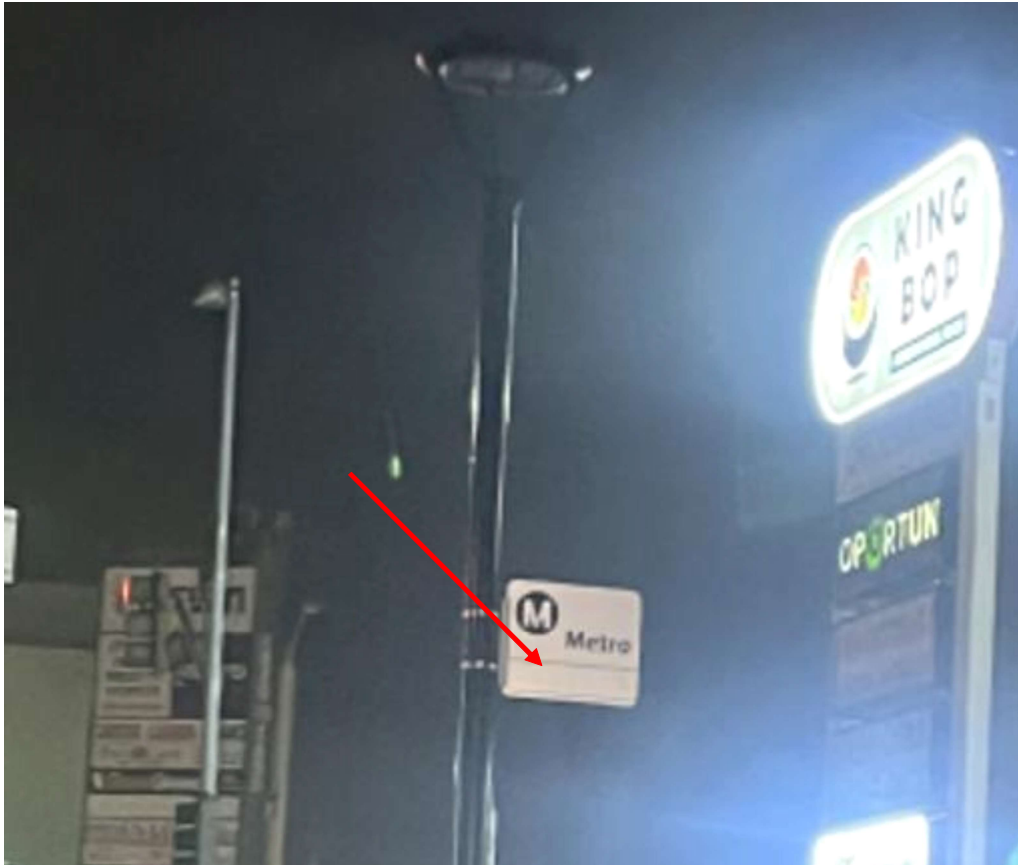
Operations (Stops and Zones)

- Properly trim, prune, and maintain trees near bus stops to ensure the visibility of the bus stop sign. Request municipalities to trim landscapes at bus stops maintained by them.

F. Bus Stop Sign without the Line Number

We found a bus stop sign without a line number on it. See Picture 16.

Picture 16 - Line 207: Western & Washington



(12/12/2024)

The Senior Manager, Facilities Maintenance explained that the line number was “*removed to allow installation of new bus stop electroliers. Staff placed blank signs to establish the zone and they will return to affix destination decals.*” He added, “*Similar to street lights, bus stop electroliers are light units on the sidewalk within the bus stop zone, specifically for the bus stop.*”

We found that the line number was reinstalled within a week after our inquiry.

Recommendation:

Operations (Stops and Zones)

- Address the noted issues promptly to ensure that the riding public is provided with reasonable comfort and necessary information (e.g., proper signage).

For all cleanliness and maintenance issues:

Operations (Stops and Zones) and Marketing

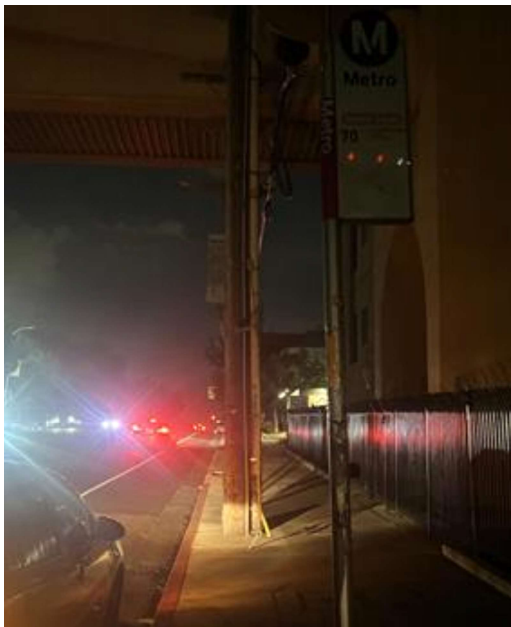
- Consider communicating bus stop repairs to the public with a public-facing “dashboard” on Metro’s website that will provide transparency and information to the public about any reported bus stops that are in the process of maintenance or repair. (See Attachment C.)

2. Safety Issues

A. No Proper Lighting

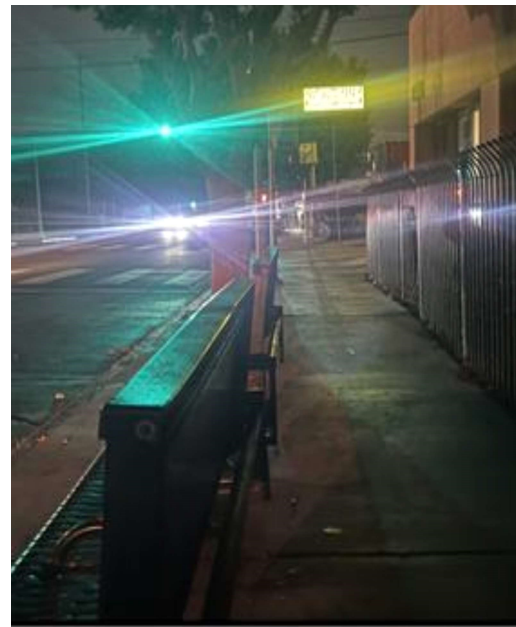
Our review found that the bus stops for Line 70 at Cesar Chavez and Boyle, both eastbound and westbound, were very dark with improper or inadequate lighting to see and read the Metro bus stop sign. We did not see any lighting for the bus stop sign. One passenger was waiting for an eastbound Metro bus that could not be seen. This condition promotes bus pass-ups and is unsafe. The lights seen in Pictures 17 and 18 were from the vehicles.

Picture 17
Line 70: Cesar Chavez & Boyle
Eastbound



(12/12/2024)

Picture 18
Line 70: Cesar Chavez & Boyle
Westbound



(12/12/2024)

These bus stops are maintained by the local municipality.

The Senior Manager of Stops and Zones informed us that Metro and the general public may submit a Service Request to the City's MyLA311 website and request that lighting be installed. He added that the DEO of Operations just announced to all listeners during the recent All Hands Meeting in December 2024 for bus operators to call BOC and report dark bus stop zones. However, he stated that he is not sure of the results since Metro has no control over public easements.

Adequate lighting at bus stops is considered crucial for safety, security, and passenger comfort. Without lighting, passengers waiting at night are more vulnerable to potential hazards like tripping or being overlooked by approaching buses. It also increases the risk of crime due to poor visibility.

Recommendations:

Operations (Stops and Zones)

- Continue to test and determine the effectiveness of the independent solar panel lights on top of the signposts. Consider expanding use of the solar lights if the cost and benefits of these lights prove to be a good solution.
- Identify bus stop zones that need improved lighting and create a light improvement plan for Metro-maintained stops or inform the local municipality to enhance passenger safety for municipalities-maintained stops with improved lighting.
- Post Metro Maintenance Dashboard contact information allowing passengers to easily report lighting and other issues at the bus stop(s).
- Consider sustainable options like lights generated by small solar panels or other environmentally conscious methods as stated earlier.

B. Vehicles Parked in Bus Stops

During our review of bus stops, we found cars and/or trucks parked at two bus stops for Line 40 (Downtown LA – South Bay Galleria via ML King Boulevard, Hawthorne Boulevard). See Pictures 19 and 20.

We communicated the issue with Metro Stops and Zones Department, which stated that vehicles parked in the Metro zone are not uncommon. They stated that when they call Parking Enforcement, they ask for license plate numbers, which most of the time, are not available. The bus operators cannot provide that information because *“they cannot use electronic devices while operating their bus. All they can do is contact BOC to report and the Controller may call Parking Enforcement directly or they call us to report the problem.”*

Picture 19 - Line 40: Crenshaw & 57th



(10/25/2024)

Picture 20 - Line 40: Hawthorne & 104th



(10/25/2024)

Based on the Metro Community Relations Newsletter dated December 3, 2024, Metro, in collaboration with the Los Angeles Department of Transportation (LADOT), launched the Bus Lane Enforcement (BLE) program to keep bus lanes clear and improve transit reliability. Starting November 1, 2024, Metro routes 212 and 720 began monitoring with cameras installed on buses to capture parking violations in bus lanes and at bus stops. LADOT will issue warning notices for 60 days, then begin issuing citations starting January 1, 2025. In early 2025, Lines 70, 910, and 950 will be added to the enforcement program.

The Senior Manager of Facilities Maintenance also informed us that Metro has recently embarked on using Artificial Intelligence (AI) to photograph vehicles inside bus stop zones and driving in bus-only lanes during bus-only hours. The photos, which are taken from the bus camera, will be provided to either Parking Enforcement or Metro's Transit Court which will issue the parking citations.

Recommendation:

Operations (Stops and Zones)

- Monitor the effectiveness of the Bus Lane Enforcement (BLE) program in keeping Metro bus lanes clear from parked vehicles across the system to improve transit safety and reliability.
- Have the bus operators inform the BOC to inform the road supervisor of vehicles at the bus stop to get the plate number and call traffic enforcement for towing.

C. Homeless Encampment and Individuals in Bus Stops and Parking Lot

We found homeless camps in the following three locations as shown in Table 3:

Table 3: Homeless Camps Near Bus Stops and Parking Lot

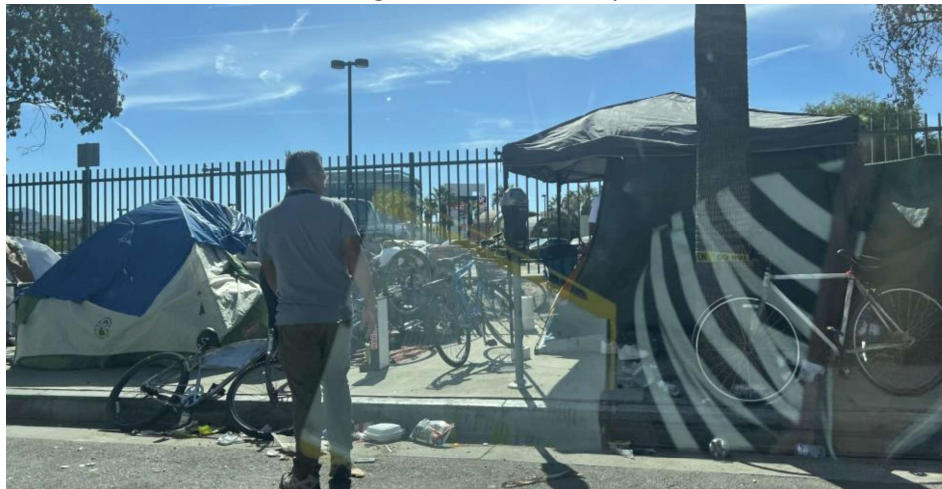
District	Jurisdiction	Line (Bus) No.	Stop ID No.	Location	Remarks
1	Los Angeles City /Area 1	2	4663	Alvarado & Olympic (Municipality- maintained)	Homeless camp and scattered trash
5	North Hollywood	901	15618	North Hollywood Station (Metro- maintained)	Homeless camp right outside the station parking lot
1	Los Angeles City /Area 1	70/76/78/ 487/489	9061	1 st & Broadway (Municipality- maintained)	A whole row of homeless camps at 1 st Street from Spring to Broadway

Picture 21 - Line 2: Alvarado & Olympic



(10/22/2024)

Picture 22
Line 901: Parking Lot at North Hollywood Station



(10/21/2024)

Picture 23
Lines 70/76/78/487/489: 1st Street – From Spring to Broadway



(10/25/2024)

On December 9, 2024, when we revisited the site, we found that the homeless camp was gone. The City of Los Angeles built a double fence in the area, which seems effective in preventing encampment by the homeless, see Picture 24.

Picture 24

Lines 70/76/78/487/489: 1st Street – From Spring to Broadway



(12/09/2024)

During our visit to bus stops, we also found some homeless individuals using the bus shelter or bench as their temporary place to rest, see the Pictures 25, 26 and 27.

Picture 25

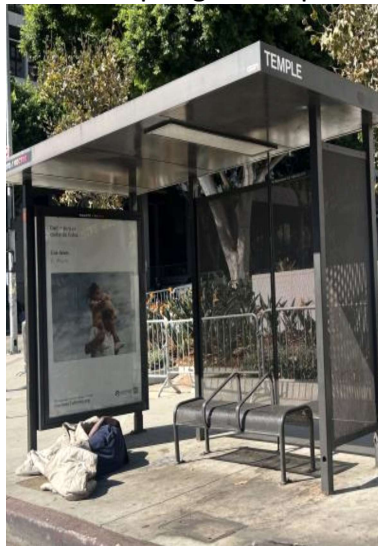
Line 2: Sunset & Martel



(10/22/2024)

Picture 26

Line 4: Spring & Temple



(10/22/2024)

Picture 27

Line 950: Pacific & 1st



(10/17/2024)

Table 4 is the summary of bus stops where we found homeless people congregating at or near the bus stop.

Table 4: Summary of Bus Stops with Homeless Individuals

District	City	On Street	Cross Street	No. of Bus Stops
District 1	Los Angeles City/Area 1	Beverly	Vermont	1
		Cesar E Chavez	Vignes	2
		Spring	Temple	1
	Westlake	Alvarado	6th Street	1
District 1 Total				5
District 3	Hollywood	Sunset	Martel	1
	West Hollywood	Holloway	La Cienega	1
District 3 Total				2
District 4	Los Angeles City/Area 5	Pacific	1st Street	1
District 4 Total				1
Grand Total				8

The presence of homeless camps and individuals near or at bus stops negatively impacts Metro Operations, which may trigger riders' safety concerns and perception of uncleanness that may result in reduced ridership and revenue.

Recommendations:

Operations (Stops and Zones)

- Discuss with the local municipalities the development of a plan to perform outreach, fencing, or similar deterrents to discourage homeless encampments.
- Work with Metro-related departments to collaborate with local governments, community organizations, and/or other transit agencies to provide outreach and support services and programs to homeless individuals.
- Post signs at the bus stop and on buses informing patrons where to go or call for shelter and other services.

D. Illicit Activity Involving Drugs at Figueroa & 7th Street Bus Stop

Our review found that the bus stop for Line 460 (Downtown LA – Disneyland via Harbor Transitway, 105 Freeway, Norwalk C Line Station) at Figueroa and 7th Street in Los Angeles was often frequented by homeless people who are openly doing drugs. The bench was also laced

with graffiti and the ground had scattered trash despite a nearby trash bin. This bus stop, maintained by the local municipality, is across the 7th Street/Metro Center rail station and is shared with Foothill Transit, Torrance Transit, Commuter Express (LADOT), Santa Clarita Transit, and Antelope Valley Transit Authority (Route 785 - Palmdale/Lancaster).

We received a video and pictures from a concerned citizen showing illicit drug activity at this bus stop. The concerned citizen stated, *"For these past eleven months, I have seen the bus stop at Figueroa and 7th Street near Bank of America neglected, trashed, vagrants abusing the bus stop and rampant drug use."*

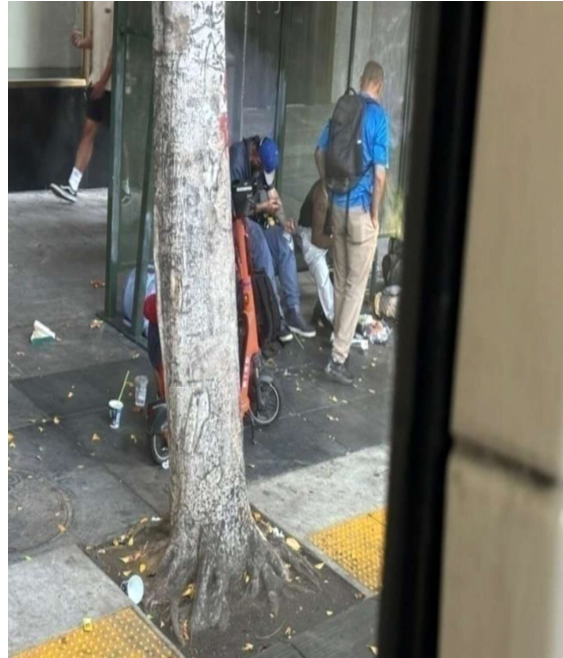
Pictures 28 through 32 were taken by the concerned citizen and our auditor. A still picture does not easily depict drug use, but the patron who took the pictures represents that these people are engaging in drug use.

Picture 28 – Line 460: Figueroa & 7th Street



Picture submitted by a concerned citizen to OIG on 9/26/2024

Pictures 29 & 30 – Line 460: Figueroa & 7th Street



Pictures from a concerned citizen, 9/26/2024

Picture 31 – Line 460: Figueroa & 7th Street



Picture taken by Auditor, 10/25/2024

Picture 32 – Line 460: Figueroa & 7th Street



Picture taken by Auditor, 10/25/2024

We talked to some commuters at this bus stop who said they always see homeless people doing drugs, even during day time. They feel unsafe when they see homeless individuals since they believe they may have mental challenges and may do things to harm other people.

Last year, an OIG auditor who regularly takes her bus at Figueroa and 7th Street had a personal experience of seeing a homeless individual assaulting another homeless person. Other than the security guard of the bank who merely watched the incident, no police or transit security personnel was present to intervene.

The instances of illicit drug activities and the presence of homeless individuals lingering around bus stops negatively impact ridership because people may be discouraged from taking public transportation when there are safety concerns such as illicit drug activities and individuals with mental disorders.

Recommendations:

Operations (Stops and Zones)

- For Metro-maintained bus stops, discuss with local law enforcement and Metro System Security & Law Enforcement the possibility of assigning Security or law enforcement personnel around highly active Metro bus stops to discourage or prevent people from engaging in illegal activities at Metro-maintained bus stops.
- Coordinate with law enforcement agencies, municipalities, and other transit agencies sharing the same bus stop, and local business security to determine how this issue can be effectively addressed and resolved. Ask municipalities to assign law enforcement or personnel to discourage and address illicit activities near bus stops.
- Discuss with municipalities their arrangements for improved security for municipalities-maintained bus stops.

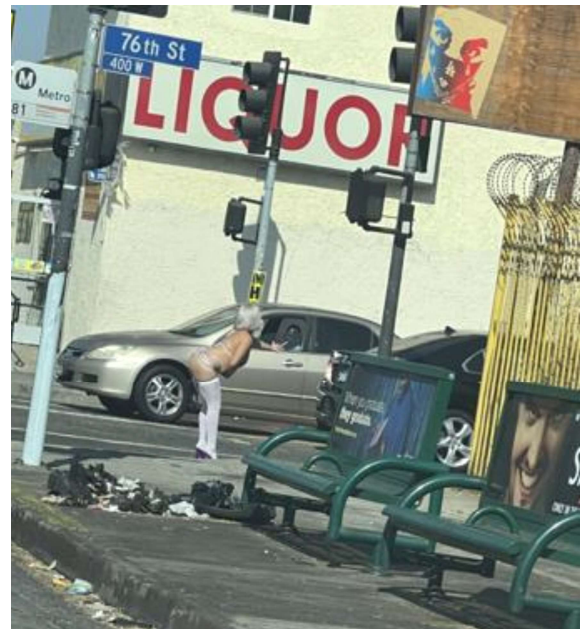
E. Streetwalkers in the Figueroa Corridor

During our visit to bus stops, we witnessed “streetwalkers” soliciting illegal activities from drivers along Figueroa and 76th Street, near bus stop # 5014 for Line 81 (Eagle Rock – Downtown LA – Harbor Freeway Station via Figueroa St.). This municipality-maintained bus stop also had cleanliness issues such as scattered trash and dirty sidewalks.

Pictures 33 & 34 - Line 81: Figueroa & 76th Street



(10/25/2024)



(10/25/2024)

These pictures were taken at 1:36 pm on October 25, 2024. This bus stop is located in the Figueroa Corridor in South Los Angeles – a 3.5-mile stretch of Figueroa Street stretching from Gage Avenue down to Imperial Highway, “long known as a haven for prostitution,” according to the U.S. Attorney’s Office, Central District of California. On September 4, 2024, federal and local law enforcement officials announced a significant collaborative effort aimed at combatting human trafficking and the sexual exploitation of minors on the Figueroa Corridor in South Los Angeles. The initiative – called the *Figueroa Corridor Human Trafficking Initiative* – features federal and local law enforcement working together to target human traffickers and those who perpetuate illegal sex work, especially involving minors. This initiative is also designed to help victims – the young women and girls who perform sex work – to find opportunities and to help get them off the streets. [Federal, County, and City Law Enforcement Officials Announce Initiative to Combat Sexual Exploitation Crimes](#)

The Los Angeles Daily News also reported on September 5, 2024, that this area has been a hub for underage sex workers for decades. “Women and girls in various states of undress can be seen walking the notorious “stroll” day and night while “johns” drive around the area looking to pick them up. Dozens of YouTube videos show the activity.” [Officials offer updates on efforts to deter prostitution of children along LA’s Figueroa corridor](#)

This kind of activity becomes worse at night. On September 4, 2024, U.S. Attorney Martin Estrada made a statement on TV, “The area turns into an “outdoor bordello.”... “We see underage girls walking around and wearing next to nothing, regardless of the weather, with pimps lurking nearby in cars supervising everything,” he described. [Ground zero for human trafficking.' Feds, Los Angeles team up to crack down on Figueroa Corridor](#)

Prostitution in transit hubs has significant social, safety, and economic impacts. Illegal activities such as prostitution may negatively affect and discourage people from using public transportation. Transit passengers may associate areas with visible prostitution activity with increased crime, negatively impacting the use of public transit.

In February 2025, the Los Angeles District Attorney announced that over 230 arrests were made by Metro’s contracted law enforcement agencies during a statewide, weeklong human trafficking operation. [February 4, 2025: DA Hochman Announces Charges in Statewide Human Trafficking Operation ‘Reclaim and Rebuild’](#)

Efforts to combat human trafficking need to be made now to address this activity in Los Angeles County and cities near Metro bus stops.

Recommendations:

Operations (Stops and Zones)

- Coordinate with law enforcement to implement security measures that will deter illegal activities in municipality-maintained bus stop zones. Join the task force that is operating the effort. Ask municipalities to assign law enforcement or other personnel to address illegal activities.
- Metro can work with other local entities that have programs to provide resources and opportunities to help vulnerable individuals disengage from illegal activities.
- Obtain updates on the Figueroa Corridor Human Trafficking Initiative and review any recommendations.
- Consider additional safety measures at Metro bus stops where this kind of activity is regularly observed.

3. Other Matters

A. Lawsuits Involving Bus Stops Alleging Injuries

According to Metro's Risk, Safety, and Asset Management Department, there are three pending litigations involving bus stops from January 2023 to October 2024. The claims were all for bodily injury arising from trips and falls at bus stops maintained by municipalities, see Table 5.

Table 5: Metro's Pending Litigations Involving Bus Stops

Event Date	Reported Date	Suit Status	Cause Description	Nature of Claim	Bus Stop Location
06/09/23	10/03/23	Litigated	Pedestrian All Others	Trip & fall on protruding bolt	Eastbound Century Blvd. at Club Dr.
11/07/23	12/14/23	Litigated	Pedestrian All Others	Slip & fall on sidewalk adjacent to bus stop zone	Southbound Van Nuys Blvd. at Vanowen St.
12/14/23	06/13/24	Litigated	Pedestrian All Others	Scooter slip at bus stop zone	Eastbound Washington Blvd. at Union Ave.

These claims and litigations emphasize the importance of regular inspection and maintenance of Metro signposts, sidewalks, and Metro-owned bus stops in general to avoid possible injuries and claims in the future.

Recommendations:

Operations (Stops and Zones)

- Regularly inspect all Metro signposts, sidewalks, and Metro-owned bus stops, shelters, and seats to ensure that they are safe and there are no hazards to the public.
- Report any hazardous areas that may lead to an injury or lawsuit involving bus stops at public easements. Use the dashboard recommended in Attachment C.

B. Non-Compliance of the Contractor with the Terms of the Contract

With reference to the e-paper displays previously mentioned in finding 1 b, we were informed that the Contractor completed the installation of the e-displays in June 2024. However, when we inspected the units in September 2024, we noted that there was no e-paper display at Vermont and King Boulevard – Northbound (Stop ID 11247), although it was listed as installed. The Senior Manager of Facilities Maintenance explained that *“some of the units were removed due to construction projects.”* We followed up on the status of the said unit and verified that on January 10, 2025, the unit was finally installed.

Section 2.2 of the contract states, *“Contractor shall provide field audit photos before/after each installation.”* However, when we asked Stops and Zones for pictures of the e-paper displays, we were told that *“pictures of all units were not taken.”*

Stops and Zones should verify that all e-paper displays were installed, as agreed, and ensure that the Contractor complies with all the terms of the contract including the task to provide pictures of the installed e-displays by location.

Recommendations:

Operations (Stops and Zones)

- Enforce contractor compliance with the terms of the contract; i.e., e-paper displays are completely installed and maintained, and all required documentation such as photos of the units are submitted.
- Continue to regularly inspect the e-paper displays to ensure that they are functioning properly.

OBSERVATION

While we found various issues discussed above, we are pleased to report that we also observed many bus stops that were clean and well-maintained, demonstrating a positive effort towards improving the overall passenger experience, such as the municipality-owned bus stops at the following location, see Pictures 35 through 39.

Picture 35

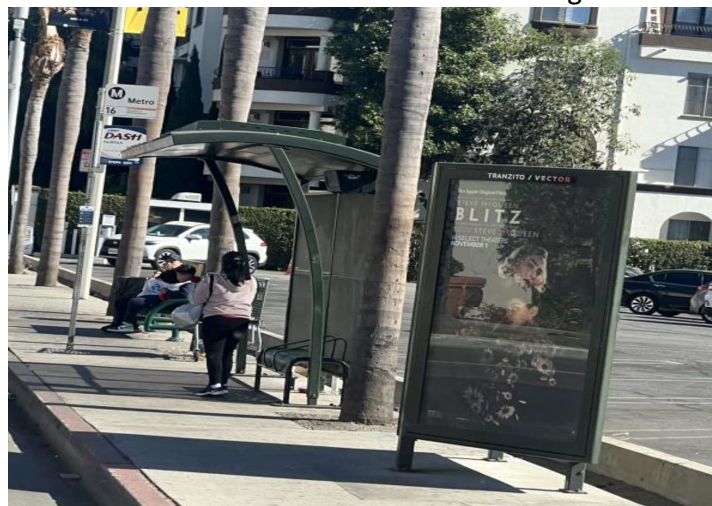
District 1: Line 70 – Garvey and Community Center



(10/28/2024)

Picture 36

District 2: Line 16 – 3rd Street and Ogden



(11/04/2024)

Picture 37

District 3: Line 4 – Santa Monica and Fairfax



(10/16/2024)

Picture 38

District 4: Line 62 – Norwalk and Imperial



(11/04/2024)

Picture 39
District 5: Line 233 - Foothill and Terra Bella



(10/21/2024))

CONCLUSION

Our review found that Metro generally complies with its policies on cleanliness and the industry safety standards for bus stops and ensures that Metro-owned bus stops meet regional accessibility and safety needs.

Of the 245 bus stops we reviewed across the Metro system, we found two issues on Metro-owned bus stops; however, we found 83 issues on bus stops in the public easements that require local municipalities to address:

- The majority of the issues were related to cleanliness such as graffiti in bus stop shelters and benches, dirty sidewalks, and overfilled or uncollected trash bins. Other maintenance issues that need to be addressed include broken or rusty shelters and benches.
- We also noted illicit activities involving drugs at a bus stop at Figueroa & 7th Street, a very active area for bus patrons, and some areas close to tourist attractions, such as Crypto.com Arena and the Grammy Museum at LA Live in Downtown Los Angeles. In addition, we witnessed streetwalkers or apparent sex workers in the Figueroa Corridor that were sometimes close to bus stops.
- We also found safety and cleanliness issues with nearby homeless encampments, bus stops with improper and inadequate lighting, and vehicles parked at the bus stops in no parking zones.

We found issues on 35% of the sampled bus stops. This should be measured to see improvements over time, before the 2026 FIFA World Cup and the 2028 Olympics and Paralympic Games.

From the sampled bus stops we reviewed, most were on public easements maintained by local municipalities. We contacted 14 municipalities across Los Angeles County to inform them of our report on the review of bus stops including issues we found in their jurisdictions. Most municipalities stated that they took immediate action to address issues such as dirty sidewalks and graffiti as we informed them during the audit. Some of the municipalities have in-house staff, while others have contractors, who regularly clean the bus stop amenities and sidewalks, as well as provide as-needed repairs. Most of the local municipalities said that Metro's Stops and Zones Department informs them when their bus stops have any maintenance problems that need immediate attention.

We found the response from the City of Los Angeles did not directly address our recommendations or deliver a solution to bus stop cleanliness and safety. We recommend that they coordinate with Metro departments to develop a workable plan that addresses cleanliness, maintenance, and safety issues at the bus stops within their area of responsibility (public rights-of-way.)

The public considers cleanliness and safety as critical factors in deciding whether to take public transportation. This includes having safe and convenient access to bus stops. With clean and safe bus stops, Metro may increase patron satisfaction, ridership, and revenue.

RECOMMENDATIONS

We recommend the following:

OPERATIONS (STOPS AND ZONES DEPARTMENT)

1A: Graffiti on Bus Stop Furniture

For Metro-owned bus stops:

1. Utilize effective methods for easy graffiti removal such as specialized coating on the shelter and bench surfaces.
2. Ensure that all required cleanings are performed within the specified goal date (e.g., ten days from receipt of the report).

For non-Metro-owned bus stops:

3. Continue to report graffiti to the respective jurisdiction that should implement regular graffiti removal practices to maintain the cleanliness of the bus shelter/bench.
4. Develop a procedure to log in and follow up with notifications to local municipalities, their contractors, and/or other transit agencies to take action on the issues reported.

1B: Graffiti on Newly Installed Electronic Paper Displays

5. Continue to perform regular inspections of the e-paper displays to ensure that the units are free of graffiti; advise the contractor if graffiti is seen or if other maintenance is needed.
6. Investigate if there is any screen protector, paint, or texturizer that could be applied to these displays to make them harder to graffiti and faster or easier to clean of graffiti.

1C: Bus Stops with Trash Issues

7. For Metro-owned bus stops, continue to implement regular cleaning schedules and increase the frequency of cleaning for the locations that repeatedly exhibit cleanliness issues.
8. For non-Metro-owned bus stops, report cleanliness issues to the respective local municipalities, and their contractors.
9. Work with respective local municipalities to provide notices or flyers to educate the public on how to dispose of trash/waste properly at bus stops.
10. Work with respective local municipalities to provide an information campaign by media, signs, notices, or flyers to educate the public on how to dispose of trash/waste properly at bus stops.
11. Establish a cleanliness hotline as part of the digital dashboard program and a new agency customer interaction application under development.

1D: Maintenance Issues

12. Request the local municipalities ensure that the riding public is provided with reasonable comfort and convenience such as shelter seating at bus stops maintained by them.

1E: Overgrown Tree Blocking the Bus Stop Sign

13. Properly trim, prune, and maintain trees near bus stops to ensure the visibility of the bus stop sign. Ask municipalities to trim landscapes at bus stops maintained by them.

1F: Bus Stop Sign without the Line Number

14. Address the noted issues promptly to ensure that the riding public is provided with reasonable comfort and necessary information (e.g., proper signage).

For All Cleanliness and Maintenance Issues:

15. Consider communicating bus stop repairs to the public with a public-facing “dashboard” on Metro’s website that will provide transparency and information to the public about any reported bus stops that require maintenance or repair. (See Attachment C.)

2A: No Proper Lighting

16. Continue to test and determine the effectiveness of the independent solar panel lights on top of the signposts. Consider expanding use of the solar lights if the cost and benefits of these lights prove to be a good solution.
17. Identify bus stop zones that need improved lighting and create a light improvement plan for Metro-maintained stops or inform the local municipality to enhance passenger safety for municipalities-maintained stops with improved lighting.
18. Post Metro Maintenance Dashboard contact information allowing passengers to easily report lighting and other issues at the bus stop(s).
19. Consider sustainable options like lights generated by small solar panels or other environmentally conscious methods, as stated earlier.

2B: Vehicles Parked in Bus Stops

20. Monitor the effectiveness of the Bus Lane Enforcement (BLE) program in keeping Metro bus lanes clear from parked vehicles across the system to improve transit safety and reliability.
21. Have the bus operator inform the BOC to inform the road supervisor of vehicles at the bus stop to get the plate number and call traffic enforcement for towing.

2C: Homeless Encampment and Individuals in Bus Stops and Parking Lot

22. Discuss with the local municipalities the development of a plan to perform outreach, fencing, or similar deterrents to discourage homeless encampments.
23. Work with Metro-related departments to collaborate with local governments, community organizations, and/or other transit agencies to provide outreach and support services and programs to homeless individuals.

24. Post signs at the bus stops and in buses where to go or call for shelter and other services.

2D: Illicit Activity Involving Drugs at Figueroa & 7th Street Bus Stop

25. Discuss with local law enforcement and Metro System Security & Law Enforcement the possibility of assigning Security or law enforcement personnel around highly active bus stops to discourage or prevent homeless individuals and other people from engaging in illegal activities at Metro-maintained bus stops.
26. Coordinate with law enforcement agencies, municipalities, and other transit agencies sharing the same bus stop, and local business security to determine how this issue can be effectively addressed and resolved. Request municipalities to assign law enforcement or personnel to discourage and address illicit activities near bus stops.
27. Discuss with municipalities their arrangements for improved security for municipalities-maintained bus stops.

2E: Streetwalkers in the Figueroa Corridor

28. Coordinate with law enforcement to implement security measures that will deter illegal activities in municipality-maintained bus stop zones. Join the task force that is operating the effort. Request municipalities to assign law enforcement or other personnel to address illegal activities.
29. Metro should work with other local entities that have programs to provide resources and opportunities to help vulnerable individuals disengage from illegal activities.
30. Obtain updates on the Figueroa Corridor Human Trafficking Initiative and review any recommendations.
31. Consider additional safety measures at Metro bus stops where this kind of activity is regularly observed.

3A: Lawsuits Involving Bus Stops

32. Regularly inspect all Metro signposts, sidewalks, and Metro-owned bus stops, shelters, and seats to ensure that they are safe and there are no hazards to the public.
33. Report any hazardous areas that may lead to an injury or lawsuit involving bus stops at public easements. Use the dashboard recommended in Attachment C.

3B: Non-Compliance of the Contractor with the Terms of the Contract

- 34. Enforce contractor compliance with the terms of the contract; i.e., e-paper displays are completely installed and maintained, and all required documentation such as photos of the units are submitted.
- 35. Continue to regularly inspect the e-paper displays to ensure that they are functioning properly.

CUSTOMER EXPERIENCE (COMMUNICATIONS)

- 36. Consider communicating bus stop repairs to the public with a public-facing “Dashboard” on Metro’s website that will provide transparency and information to the public about any reported bus stops that are in the process of maintenance or repair. (See Attachment C.)

LOCAL MUNICIPALITIES

- 37. Monitor and correct deficiencies at bus stops on public easements they maintain and do not rely solely on Metro reporting cleanliness or safety issues.
- 38. Regularly monitor and take corrective action to clean and repair bus stops maintained by the municipality.

RESPONSES TO RECOMMENDATIONS

Metro Management

On March 6, 2025, we provided Metro Management with a draft report. Metro Operations and Customer Experience submitted their responses on March 25, 2025 and April 2, 2025, respectively, as shown in Attachment D.

Municipalities

On March 6, 2025, we provided the 14 municipalities with a draft report. By March 19, 2025, seven had submitted their responses summarizing their corrective actions as shown in Attachment E.

OIG EVALUATION OF RESPONSES

Metro Management

While Metro Operations agreed with many of the report's findings and recommendations, they requested additional time to conduct a thoughtful and detailed review. They stated that they would provide a more thorough response within 60 to 90 days. Therefore, we consider all issues related to the recommendations still open and outstanding.

Customer Experience Department disagreed with the recommendation of creating a public-facing dashboard on Metro's website stating that *"While Metro acknowledges the importance of transparency and clear communication with the public, most cleanliness and safety concerns raised in the audit involve stops located on public easements under municipal control."*

Municipalities

We received responses from seven out of 14 municipalities, Cerritos, East Los Angeles, El Monte, Inglewood, Lawndale, Los Angeles, and Norwalk. Six municipalities provided corrective actions to the findings and recommendations in the report and we consider all issues related to the recommendations resolved and closed based on the corrective actions taken by these six municipalities.

We found the response from the City of Los Angeles did not directly address our recommendations or deliver a solution to bus stop cleanliness and safety. We recommend that they coordinate with Metro departments to develop a workable plan that addresses cleanliness, maintenance, and safety issues at the bus stops within their area of responsibility (public rights-of-way).

List of Bus Stops Reviewed

Line	Line Description	Bus Stops Reviewed
High Ridership:		
2	USC - Westwood via Sunset Boulevard	16
4	Downtown LA - Santa Monica via Santa Monica Boulevard	7
16	Downtown LA - West Hollywood via West 3rd Street	34
33	Downtown LA - Santa Monica via Venice Boulevard	7
70	Downtown LA - El Monte via Cesar Chavez Avenue, Atlantic Boulevard, Garv	21
105	West Hollywood - Vernon via La Cienega Boulevard, Vernon Avenue	9
204*	Hollywood - Vermont/Athens Station via Vermont Avenue	17
207	Hollywood - Crenshaw Station via Western Avenue	4
233	Lake View Terrace - Sherman Oaks via Van Nuys Boulevard	14
720	Santa Monica - Downtown LA via Wilshire Boulevard	5
754*	Hollywood - Vermont/Athens Station via Vermont Avenue	1
901	G Line - Chatsworth - Canoga Park - North Hollywood	5
910/950	J Line - Harbor Gateway/San Pedro via Downtown LA	5
Olympic Routes:		
40	Downtown LA - South Bay Galleria via ML King Boulevard, Hawthorne Boulev	15
81	Eagle Rock - Downtown LA - Harbor Freeway Station via Figueroa St	4
Others:		
20	Downtown LA - Westwood/Santa Monica via Wilshire Boulevard	18
62	Downtown LA - Hawaiian Gardens via Telegraph Road	29
XX	Various lines	34
Total Bus Stops Reviewed		245

* Also a route for the 2028 Olympics

Summary of Findings on Bus Stops Reviewed

Summary of Findings on Bus Stops Reviewed – By District

District	Bus Stops Reviewed	With Findings	% of Findings to Bus Stops Reviewed
District 1	66	36	55%
District 2	62	25	40%
District 3	51	11	22%
District 4	39	8	21%
District 5	27	5	19%
Total	245	85	35%

(The number of bus stops reviewed was approximately 2% of the audit population for each district.)

List of Findings – By Category

Category	Finding	Bus Stops
Cleanliness & Maintenance Issues	Broken Shelter Wall	4
	Bus Stop Sign without the Line Number *	1
	Graffiti	24
	Missing E-Paper Display	1
	No Shelter Seat	1
	Rusty Shelter/Bench	1
	Tree Blocking the Bus Stop Sign	1
	Dirty Floor and/or with Trash Issues	36
Cleanliness & Maintenance Issues Total		69
Illicit Activities in/around Bus Stops	Drugs	1
	Streetwalkers	1
Illicit Activities in/around Bus Stops Total		2
Safety Issues	Homeless Camp - Metro-Owned Bus Stop *	1
	Homeless Camp - Non- Metro-Owned Bus Stop	2
	Homeless Individuals	8
	No Lighting	2
	Vehicles Parked at Bus Stops	1
Safety Issues Total		14
Total		85

Note: Metro needs to address two issues marked with *. The rest of the issues were found at bus stops in the public easements; hence, these will be addressed by the local municipalities.

Summary of Findings on Bus Stops Reviewed

Findings by District and by Municipality/Neighborhood

District	Municipality/Neighborhood	Finding	No. of Bus Stops	
District 1	Boyle Heights	Graffiti	4	
		No Lighting	2	
	E Los Angeles	Rusty Shelter/Bench	1	
		Dirty Floor and/or with Trash Issues	1	
	Echo Park	Dirty Floor and/or with Trash Issues	1	
	El Monte	Dirty Floor and/or with Trash Issues	1	
	Hollywood	Graffiti	2	
		No Shelter Seat	1	
	Los Angeles City/Area 1	Graffiti	3	
		Homeless Camp - Non-Metro-Owned Bus Stop	2	
		Homeless Individuals	4	
		Drugs	1	
		Dirty Floor and/or with Trash Issues	5	
	Monterey Park	Dirty Floor and/or with Trash Issues	2	
	Rosemead	Dirty Floor and/or with Trash Issues	2	
	Silver Lake	Graffiti	2	
	Westlake	Homeless Individuals	1	
		Dirty Floor and/or with Trash Issues	1	
District 1 Total			36	
District 2	Culver City	Graffiti	1	
		Dirty Floor and/or with Trash Issues	2	
	Hancock Park	Dirty Floor and/or with Trash Issues	1	
	Hawthorne	Broken Shelter Wall	4	
	Hyde Park	Vehicles Parked in Bus Stops	1	
		Dirty Floor and/or with Trash Issues	1	
	Inglewood	Dirty Floor and/or with Trash Issues	2	
	Lawndale	Dirty Floor and/or with Trash Issues	1	
	Los Angeles City/Area 3	Graffiti	3	
		Bus Stop Sign without the Line Number *	1	
		Dirty Floor and/or with Trash Issues	2	
	Los Angeles City/Area 4	Streetwalkers	1	
		Missing E-Paper Display	1	
		Dirty Floor and/or with Trash Issues	3	
	Park La Brea	Graffiti	1	
	District 2 Total			25
	District 3	Hollywood	Homeless Individuals	1
			Dirty Floor and/or with Trash Issues	1
Los Angeles City/Area 3		Graffiti	2	
		Tree Blocking the Bus Stop Sign	1	
Van Nuys		Graffiti	1	
		Dirty Floor and/or with Trash Issues	2	
West Hollywood		Homeless Individuals	1	
West Los Angeles		Dirty Floor and/or with Trash Issues	1	
Winnetka		Dirty Floor and/or with Trash Issues	1	
District 3 Total			11	
District 4	Cerritos	Graffiti	1	
	Los Angeles City/Area 5	Homeless Individuals	1	
	Los Angeles City/Area 6	Dirty Floor and/or with Trash Issues	3	
	Norwalk	Graffiti	1	
	Santa Fe Springs	Graffiti	1	
	Vernon	Dirty Floor and/or with Trash Issues	1	
District 4 Total			8	
District 5	Lakeview Terrace	Graffiti	2	
		Dirty Floor and/or with Trash Issues	1	
	North Hollywood	Homeless Camp - Metro-Owned Bus Stop*	1	
		Dirty Floor and/or with Trash Issues	1	
District 5 Total			5	
Grand Total			85	

* To be addressed by Metro.

The rest will be addressed by the local municipalities since the issues were found at the bus stops in the public easements.

Proposed Electronic Dashboard in Metro's Public Website

Metro Stops and Zones Dashboard

Purpose

The purpose of creating an electronic dashboard on Metro's public website is to provide information and transparency about bus stops and rail stations in need of maintenance and/or repair. When a member of the public and patrons see a bus stop that needs repair or cleaning, they may report this to Metro by calling the Metro Customer Relations department or reporting it to Facilities Maintenance. Once reported, it may be useful for the reporting party to know their concern is being addressed. A "dashboard" style web page may help and provide needed information and transparency, and that Metro aims to keep all systems in a state of good repair.

Elements

The dashboard should include simple visual information to quickly see the number of open repairs, the average time to complete a repair, and repairs that have been completed. Additionally, the dashboard should allow a visitor to see details of a particular repair such as when it was reported, an incident status, if it is scheduled, and estimated completion dates. Examples of repair status may be, logged, scheduled for repair, and completed.

Process

Every repair should have a sticker placed on it with the repair incident number so people can know the damaged item has already been reported and is scheduled for repair. It would allow the public to look up the state of the repair.

Document the repair/damaged item by taking a picture with the visible sticker and add it to the record in the dashboard system. When the item is repaired, remove the sticker and take another picture documenting that the repair is complete. Document the repair and update the repair record with a before and after picture.

(See next page)

Proposed Electronic Dashboard in Metro's Public Website

Bus Stop Repair and Maintenance Records Example Data

Bus Stop ID	Line Number	Location	Type of Repair	Reported Date	Incident ID	Item Status	Estimated Completion Date	Completed	Picture
6033	2		Graffiti on stop	3/17/2024		300	3/22/2024		Picture 1
2000	4		Full trashcan	5/14/2024		200	5/19/2024		Picture 2
12411	16		Broken shelter glass	5/25/2024		600	5/30/2024		Picture 3
432	33		Broken signpost	5/28/2024		200	6/2/2024		Picture 4
7303	70		Dirty sidewalk	11/11/2024		300	11/16/2024		Picture 5
15633	105		No signage	12/22/2024		100	12/27/2024		Picture 6

Status Codes	
Logged	100
In Progress	200
Repair Scheduled	300
Awaiting Materials	400
Completed	500
Informed Local Municipalities	600


Example charts may include the following:

- Number of completed repairs for 2024
- Number of open repairs for 2024
- A scatter graph of open bus stop repairs

Responses to Recommendations from Metro Management

OPERATIONS**Metro**

Interoffice Memo

Date	March 25, 2025
To	Karen Gorman Inspector General
From	Conan Cheung Chief Operations Officer  <small>Digitally signed by Conan Cheung DN: cn=Conan Cheung, email=cheung@metro.net, c=US, o=Metro Date: 2025.03.26 10:22:37 -08'00'</small>
Subject	25-AUD-05 Metro Bus Stops Cleanliness and Safety

Thank you for sharing the draft report on the cleanliness and safety of Metro bus stops. We appreciate the thorough review and valuable recommendations outlined in the report. We acknowledge the importance of addressing these issues to enhance the overall public transit experience.

Clean and safe bus stops are a priority for Metro, as they directly impact ridership, customer satisfaction, and public perception of our transit system. We recognize the need for continued collaboration with local municipalities to ensure that all bus stops—whether Metro-owned or maintained by cities—meet the highest standards of cleanliness, safety, and accessibility. Addressing these issues requires a coordinated approach, and we are committed to working closely with our municipal partners to develop effective solutions.

While we agree with many of the report's 35 findings and recommendations, we will need additional time to conduct a thoughtful and detailed review. A comprehensive response will require further coordination with relevant departments and stakeholders. We will provide a more thorough response within 60–90 days, outlining our approach to addressing the report's recommendations.

We appreciate your patience and look forward to continued collaboration on these important issues.


cc:
Diane Corral-Lopez
Chris Reyes
Errol Taylor
Chris Limon
David Daniels
Audit Administration

Responses to Recommendations from Metro Management

CUSTOMER EXPERIENCE


Metro

Interoffice Memo

Date	March 28, 2025
To	Yvonne Zheng, Sr. Manager, Audit Office of Inspector General
From	Jennifer Vides  Jennifer Vides Chief Customer Experience Officer
Subject	Review of Metro Bus Stops Cleanliness and Safety (Report No. 25-AUD-05)

The Office of the Inspector General (OIG) performed a review of Metro Bus Stops Cleanliness and Safety. While Metro generally complies with its policies on cleanliness and the industry safety standards for bus stops, several issues were identified. The recommendation below was addressed to Communications:

Recommendation 15 / 36:

“Consider communicating bus stop repairs to the public with a public-facing ‘dashboard’ on Metro’s website that will provide transparency and information to the public about any reported bus stops that require maintenance or repair.”

Management Response:

Metro’s Customer Experience (CX) Department does not concur with this recommendation.

Local jurisdictions and municipalities are responsible for maintaining and assessing the condition of their bus stops across Los Angeles County. While Metro acknowledges the importance of transparency and clear communication with the public, most cleanliness and safety concerns raised in the audit involve stops located on public easements under municipal control. Metro owns 30 bus stops in Los Angeles County and those stops are maintained by Metro Operations/Stops and Zones Department.

A Metro-managed public-facing dashboard that attempts to report the status of bus stop maintenance or repairs that are not under Metro’s purview would inaccurately suggest that Metro is responsible for conditions at non-Metro owned stops. Furthermore, Metro does not have the authority or ability to update or verify repair statuses at locations it does not own or maintain, nor can it ensure the accuracy or timeliness of third-party municipal responses. Metro’s Stops and Zones department maintains active working relationships with the local jurisdictions to report and address bus stop maintenance issues countywide.

In addition, Metro is actively working to strengthen communication loops between Metro’s Operations/Stops and Zones Department and local jurisdictions. This includes streamlining

CUSTOMER EXPERIENCE (CONTINUED)

how issues are reported and tracked and supporting long-term solutions that improve safety and cleanliness.

Metro's Board of Directors passed a [motion in March 2023](#) prioritizing addressing the lack of shelter at bus stops around the county, directing Metro staff to work with cities and seek to provide technical and informational resources to support municipalities in improving their bus stops. To that end, Metro has developed the **Regional Bus Stop Hub** (<https://busstophub.metro.net>), a web-based resource that serves as a centralized repository of information, including maps and support tools to provide technical guidance to local partners in managing and enhancing their bus stops. This tool will highlight best practices and showcase model bus stops to encourage jurisdictions to proactively work to improve and invest in the bus stop infrastructure within their communities.

Corrective Action Plan and Timeline:

- **Action:** None recommended
- **Responsible Department:** N/A
- **Estimated Completion Date:** N/A
- **Additional Notes:** [N/A](#)

Please let us know if further clarification or information is needed.

Responses to Recommendations from Local Municipalities

CERRITOS

From: Sabrina Chan <schan@cerritos.us>
Sent: Tuesday, March 11, 2025 10:25 AM
To: Zheng, Yvonne <ZhengY@metro.net>
Cc: Kristin Aguila <kaguila@cerritos.us>
Subject: Re: 25-AUD-05 Draft Report on Review of Metro Bus Stops Cleanliness and Safety

Good morning Ms. Zheng,

Thank you for the opportunity to review Metro's draft report on the Review of Metro Bus Stops Cleanliness and Safety. The City of Cerritos appreciates its partnership with Metro and is committed to ensuring the cleanliness and maintenance of shared bus stops in the City of Cerritos. The City will continue to implement its Transit Facilities Maintenance Plan and participate in Metro's facilities maintenance compliance reviews to ensure the bus stops and associated amenities are in good working condition.

While the City has implemented a plan for continued maintenance of shared bus stops, should there be any immediate maintenance needs at a bus stop that is observed by Metro staff, please do not hesitate to contact me at (562) 916-1201.

Should you wish to further discuss, please do not hesitate to contact me at any time.

Best regards,

Sabrina Chan

Advance Planning Manager
Community Development | City of Cerritos
schan@cerritos.us | (562) 916-1201
www.cerritos.us

Responses to Recommendations from Local Municipalities

EAST LOST ANGELES

From: Frederick Wong <FrWong@dpw.lacounty.gov>
Sent: Monday, March 17, 2025 10:08 AM
To: Zheng, Yvonne <ZhengY@metro.net>
Cc: Dimaculangan, Asuncion <DimaculanganA@metro.net>; John Huang <JHUANG@dpw.lacounty.gov>
Subject: FW: 25-AUD-05 Draft Report on Review of Metro Bus Stops Cleanliness and Safety
Importance: High

DATE: March 17, 2025

TO: Yvonne Zheng, Senior Manager, Audit
Office of the Inspector General

FROM: Fred Wong
Los Angeles County Public Works
Transit Program Specialist

SUBJECT: Response to Report: Review of Metro Bus Stops Cleanliness and Safety (Report No. 25-AUD-05)

Dear Ms. Zheng,

Los Angeles County Public Works staff has carefully reviewed the draft audit report and confirms that the issues at two bus stops within the unincorporated County areas have already been resolved, as follows:

EB Cesar Chavez Ave at Dangler – Rusty shelter and bench	Reported: 2/3/25, Issue addressed: 2/6/25
EB Cesar Chavez Ave at Indiana – Dirty floor and/or with trash	Reported: 2/3/25, Issue addressed: 2/4/25

We recognize the importance of maintaining clean and safe bus stops as these are key factors influencing public transportation choices. To address these concerns, Public Works has contracted a bus stop maintenance provider to regularly clean County owned bus stop amenities and sidewalks, as well as provide as-needed repairs. In addition, we have partnered with private vendors to provide, maintain and service advertising bus shelters and benches. These programs ensure that the bus stop amenities are regularly cleaned and kept in good condition.

Each bus shelter has a phone number displayed for service requests. Residents and bus patrons may also submit service requests online through the Public Works website at <https://dpw.lacounty.gov/> or contact our 24/7 phone line at (800) 675-HELP (4357).

Feel free to contact me at (626) 458-3956 or frwong@dpw.lacounty.gov if you have any further questions or comments.

Sincerely,
 Fred Wong
 Transit Program Specialist
 Los Angeles County Public Works
 Office: (626) 458-3956

Responses to Recommendations from Local Municipalities**EL MONTE****CITY OF EL MONTE****PUBLIC WORKS DEPARTMENT**

Jerry Moreno
Director of Public Works and Utilities

Sarah Zadok
Transportation Operations Manager

To the LACMTA Office of the Inspector General:

The City of El Monte acknowledges the findings of LA Metro bus cleanliness stop report in District 1. As part of Public Works, the Transportation Services Division works with maintenance to address issues at our city bus stops. The city Maintenance Division Bus Route staff tend to bus stop maintenance 7 days a week, cleaning the bus stop with pressure washer, graffiti removal, trash removal and other. The City also contracts out bus route cleaning services with Valley Vista Services to help clean the bus stop in off hours 7 days a week. When a maintenance employee cleans a bus stop, they practice precaution in accordance with OSHA with conning off area and alerting passengers and conduct service. The employee checks the bus stop for general cleanliness and addresses issues found and reports on a daily with Bus Route sheet. The maintenance employees also send pictures to their supervisor for confirmation that the service was conducted to the bus stop. The Public Works Department also receives ELMO (on-line) and phone reports that pertain to bus stop issues and will address as soon as possible and respond in a timely manner. All issues that pertain to bus stop cleanliness that need immediate attention will be addressed on the day it was reported on. the Bus Route maintenance employee report sheets with supervisor acknowledgement please refer to attachment.

Thank you.

**EL MONTE**

James Gonzalez
Transportation Coordinator

3990 Arden Drive,
El Monte, CA 91731
(626) 258-8866
jgonzalez@elmonteca.gov

Responses to Recommendations from Local Municipalities**INGLEWOOD****Inglewood****California**

Public Works Department
ONE MANCHESTER BOULEVARD / INGLEWOOD, CA. 90301 / P.O. BOX 6500 / INGLEWOOD, CA. 90312
Telephone (310) 412-5333 / Fax (310) 412-5552
www.cityofinglewood.org

March 19, 2025

**To: Yvonne Zheng, Senior Manager Auditor
Asuncion Dimaculangan, Senior Auditor**

**From: Tony Olmos, Public Works Director, City of Inglewood
Peter Puglese, City Traffic Engineer, City of Inglewood**

Subject: Draft Report: Review of Metro Bus Stops Cleanliness and Safety (Report No. 25-AUD-05)

On March 6, 2025, the Office of Inspector General within the Los Angeles County Metropolitan Transportation Authority (Metro) provided the City of Inglewood with a Draft Report: Review of Metro Bus Stops Cleanliness and Safety (Report No. 25-AUD-05), which completed an assessment of cleanliness and safety for both Metro-owned and local municipalities bus stops.

The Report studied 245 different bus stops, with two of them being within the City of Inglewood at the intersection of Century Boulevard and La Brea Avenue. Since all bus stops within the City are maintained by the City, the City uses a combination of both contract services and city staff for bus stop maintenance and emergencies. The maintenance of the bus stops includes power washing, trash pick-up, repairs to the bus stop furniture, disinfecting bus benches and shelters, and other servicing to make the passenger experience positive. And when the City receives input from Metro or the public on when bus stops need immediate attention for emergencies, City staff will be used.

The Report highlights the importance of cleanliness and safety as critical factors in deciding whether to take public transportation, especially with the upcoming 2026 FIFA World Cup and 2028 Olympics relying on a public transportation system to get spectators to and from the venues. Therefore, the City will continue to provide bus stop maintenance and will respond to emergencies in a timely manner. The City will also consider the recommendations provided in the report and assess if our existing maintenance fits the needs of the City or if it should be increased.

Sincerely,

Tony Olmos, P.E.
PUBLIC WORKS DIRECTOR

Responses to Recommendations from Local Municipalities

LAWNDALE

From: Nick Petrevski <NPetrevski@lawndalecity.org>
Sent: Thursday, March 13, 2025 9:15:59 AM
To: Zheng, Yvonne <ZhengY@metro.net>
Cc: Lucho Rodriguez <LRodriguez@lawndalecity.org>
Subject: RE: 25-AUD-05 Draft Report on Review of Metro Bus Stops Cleanliness and Safety

Yvonne

Please see the attached email showing the 1 bus stop listed for Lawndale has been addressed and cleaned. No suggested changes to the report other than updating Lawndale to having no issues with any bus stops. Thanks



Nick Petrevski

Associate Engineer | Public Works
 City of Lawndale | www.lawndalecity.org
 Phone: (310) 973-3265
 E-mail: npetrevski@lawndalecity.org
 Hours: Monday – Thursday: 7:00 am to 6:00 pm

LR

Lucho Rodriguez <LRodriguez@lawndalecity.org>

Nick Petrevski

1

Thu 3

FW: Hawthorne Boulevard bus stop

FW: 25-AUD-05 Draft Report on Review of Metro Bus Stops Cleanliness and ... (3.40 MB)

Outlook item

1

2

3

4

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6

7

Hi Nick,

The bus stop was cleaned, and it is cleaned periodically -power washed -. Please respond to Metro before the deadline. Photo below. Thanks.

Kind regards,

Lucho Rodriguez
 Public Works Director / City Engineer
CITY OF LAWNDALE
 14717 Burin Avenue, Lawndale, CA 90260
 Office: 310-973-3266 | Email: lrdriguez@lawndalecity.org | Website: www.lawndalecity.org

The seal of the City of Lawndale, California, featuring a sun, a tree, and a river within a circular border.

Responses to Recommendations from Local Municipalities

LOS ANGELES

(Boyle Heights/ Echo Park/Hancock Park/Hollywood/Hyde Park/Lake View Terrace/
Los Angeles City/Area 1, 3, 4, 5, 6/North Hollywood/Park La Brea/Silver Lake/Van Nuys/
West Los Angeles/Westlake/Winnetka)

DATE: March 19, 2025

TO: Yvonne Guan Zheng, Senior Manager
Office of the Inspector General
LA Metro, Audit

FROM: Lance Oishi, Contract Administrator
Bureau of Street Services - Urban Transit Amenities Section
City of Los Angeles

Digitally signed by Lance Oishi
DN: c=US, o=Lance Oishi, ou=Bureau of Street Services,
ou=Engineering Services Division,
email=lance.oishi@cityofla.org, c=US
Date: 2025.03.19 19:18:06 -0700

**SUBJECT: 25-AUD-05 METRO DRAFT REPORT ON REVIEW OF METRO BUS STOPS
CLEANLINESS AND SAFETY**

In reference to Metro's draft report on its review of Metro bus stops cleanliness and safety, please be advised of the following comments and concerns from the City of Los Angeles, Bureau of Street Services – Urban Transit Amenities Section:

Page 2 – Paragraph 1 “...public easements owned by local municipalities.” Is an incorrect statement.

Municipalities, the County, and State (aka government entities) do not “own” Public Rights of Way easements. The Public Right of Way is an easement dedicated by the adjoining property owner. Therefore adjoining property owners “own” the underlying fee and title the portion of the Public Right of Way that adjoins what is commonly referred to as their property. This is an important distinction because it establishes who is responsible for maintaining sidewalk areas within Public Rights of Way and therefore is liable for any claim arising from the sidewalk area not being properly maintained. Please refer to State Streets and Highways Code 5600 and 5610. Government entities are merely responsible for enforcing local/state/federal laws governing the use of Public Rights of Way; government entities are typically responsible for maintaining the vehicular roadway portion of Public Rights of Way

Page 2 – “OBJECTIVES, METHODOLOGY AND SCOPE OF REVIEW”

Please note that the City of Los Angeles only services and maintains bus stops where City bus shelters and/or bus shelters are provided, which only covers approximately 50% of the total number of bus stops located within Public Rights of Way within the City of Los Angeles. If Metro desires to ensure bus stops are cleaned and maintained to Metro's standards, it is recommended Metro take direct responsibility to maintain its bus stops that are absent of City bus shelters or bus benches regardless of whether they are on Metro owned facilities or within Public Rights-of-Way, including the provision of funding, resources, and materials necessary to ensure bus stops are properly maintained.

Responses to Recommendations from Local Municipalities

LOS ANGELES – CONTINUED

Page 4 – Graffiti on Bus Shelters/Bus Benches

City of Los Angeles Contractors responsible for the operations and maintenance of advertising supported bus shelters and bus benches are required to inspect and service each bus shelter or bus bench (there are separate contractors for bus shelters versus bus benches) a minimum of twice (2X) a week. Bus stops designated as “hot-spots” are serviced three or more times per week. In locations where graffiti and similar vandalism is prevalent, bus shelters or bus benches could be serviced daily and it wouldn’t be sufficient to control such vandalism. i.e. graffiti is reapplied within hours of a bus shelter or bus bench being cleaned or repainted to remove graffiti in many instances. When/where maintenance of City bus shelters and/or bus benches becomes unsustainable and City contractors are unable to maintain City bus benches or bus shelters to standards established within the contract, the City’s contractors are allowed to request that the furniture be removed either temporarily or permanently and the City is obligated to honor such requests.

Page 8 - “Bus Stops with Trash Issues”

City bus shelter and bus bench contractors are required to remove all litter and debris from bus stops populated with City bus shelters and/or bus benches as a part of their routine twice a week (or more) service visits. This includes emptying accompanying litter receptacles provided in conjunction with the City’s bus shelter or bus bench. City Contractors are required to remove litter and debris within a 10’ “halo” around the City’s transit furniture.

When/where excessive litter or illegal dumping occurs, the City may direct our contractors to temporarily or permanently remove the litter receptacle that accompany’s the City’s bus shelter or bus bench to remove the attractive nuisance. Our experience has shown that when an attractive nuisance litter receptacle is removed, site conditions improve in 90% of the cases. When the site conditions improve, the City will typically redirect its contractors to reinstall accompanying litter receptacles. In cases where site conditions do not improve, the litter receptacle is typically permanently removed.

Page 9 – Picture 8 @ SB La Cienega NS Pico

Please note the deteriorated roadway and curbing is the direct result of buses stopping at a location that does not benefit from a roadway Portland cement concrete (PCC) bus pad. The combination of nuisance water and frequent/continuous use by buses leads directly to the premature deterioration of the asphalt concrete roadway because decelerating buses place the greatest point load on roadway pavement. The City is only funded to construct ~ 15 PCC bus pads per year through Prop A funding, meaning it will take almost 550 years for the City to build out PCC bus pads at all 8200+ bus stops that exist within the City of Los Angeles.

Responses to Recommendations from Local Municipalities

LOS ANGELES – CONTINUED

Further, through its contract with its transit furniture service providers, in addition to removing litter, debris, servicing associated litter receptacles, ensuring the City's transit furniture is free of graffiti, stickers, and similar forms of vandalism, and similarly ensuring the City's transit furniture is maintained in good working order by being serviced twice or more weekly, the City's transit furniture contractors also power wash the sidewalks beneath the City's bus shelters, benches, and associated litter receptacles, and all areas of the sidewalk within 10' of the same at least once per quarter to remove dirt and grime; additional power-washing services are furnished on an as-needed basis. Similar to addressing graffiti challenges, some locations might require power washing weekly if not daily (both of which are unsustainable and infeasible), would not result in a clean sidewalk. In such cases, the City's contractors, do their best to power wash sidewalks on an as-needed/available basis.

Page 13 – Picture 14 (No bus seating)

Picture 14 reflects a location where challenges with unhoused and/or indigent individuals have become chronic due to a lack of proper social services and/or relaxed law enforcement of codes that prohibit such unwanted behavior. In such situations, in order to preserve the existing bus stop amenities, the City will instruct its transit furniture contractors to remove portions of the City's transit furniture in progressive steps to discourage the unwanted behavior and/or remove the attractive nuisance. For bus shelters experiencing challenges with unwanted behavior, the City will typically remove the bus shelter seating, followed by the litter receptacle, followed by the rear or side screens to discourage the unwanted behavior. If such progressive steps fail to discourage the unwanted behavior, the City's last and final step is to remove the shelter canopy itself.

For bus benches, when similar site challenges arise, the first step of progressive deterrence actions is to install additional seat dividers on our bus bench's seat. Depending upon the noted site challenge, we may also direct our contractor to remove our litter receptacle concurrent with the installation of additional seat dividers, or as a secondary action if the additional seat dividers fail to discourage the unwanted behavior. Complete removal of the City's bus bench is the last and final option available to the City to address such unwanted behavior.

Page 14 – Operations (Stops and Zones)

Please note that tree pruning permits are required for anyone wishing to trim street trees within the City of Los Angeles. No-Fee tree pruning permits may be obtained through the City's MyLA 311 Service Request system.

Page 18 – Bus Lane Enforcement

Responses to Recommendations from Local Municipalities

LOS ANGELES – CONTINUED

Exemptions from Bus Lane Enforcement activities must be created for service vehicles performing maintenance activities at bus stops. This includes service vehicles operated by LADOT, Metro, Los Angeles Department of Public Works, and contractors retained by the Department of Public Works to install, service, and maintain bus stop site furnishings and sidewalk areas. Failure to provide such exemptions for vehicles servicing bus stop areas will make it infeasible for City contractors to install, remove, or otherwise relocate City bus shelters and bus benches, and perform their maintenance and operations responsibilities at bus stops where transit furniture has, or is being installed.

Should you have any further questions or concerns, please email the Bureau of Street Services – Urban Transit Amenities Section at streetsla.stap@lacity.org.

KM/SL/LO:lo

File: 25-03-19 Metro Bus Stop Cleanliness Audit – StreetsLA Comments

Responses to Recommendations from Local Municipalities

NORWALK

From: Derek Donnell <ddonnell@norwalkca.gov>
Sent: Wednesday, March 19, 2025 6:18 PM
To: Zheng, Yvonne <ZhengY@metro.net>
Subject: RE: 25-AUD-05 Draft Report on Review of Metro Bus Stops Cleanliness and Safety

Good evening Ms. Zheng,

The affected bus stop listed in the report containing the graffiti was repaired and is scheduled for re-evaluation to ensure no further vandalism has occurred. The monitoring and correction of deficiencies at bus stops on public easements owned by Norwalk Transit System (NTS) are performed in an expeditious manner. NTS does not solely rely on Metro reporting cleanliness or safety issues; regular corrective actions are conducted as part of our ongoing maintenance efforts. In keeping with established operating policies and procedures, bus operators as well as other staff are expected to act in the capacity as the "eyes and ears" of the community by reporting unusual conditions in and around bus stops.

As it relates to the maintenance of bus stops, a combination of in-house services and external contractors are used to maintain bus stops within the city limits. NTS oversees the general intake of customer service related issues related to bus stops. Specific maintenance tasks such as cleaning and graffiti removal are provided through the city's contractor. The contractor uses high-pressure washers to clean the areas in and around bus stops, removing graffiti, food and other debris to ensure passenger safety and comfort.

Finally, the finding of only one bus stop owned by NTS being out of compliance demonstrates that bus stops are regularly inspected and maintained to ensure they meet cleanliness and safety standards. Our approach helps address issues promptly to maintain a high standard for public transit riders.

Regards,



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Review of Metro Bus Stops Cleanliness and Safety

OIG Report No. 25-AUD-05
Karen Gorman, Inspector General

April 17, 2025



Objectives

The objectives of the audit were to determine whether:

- Metro's existing cleaning protocols and procedures meet industry standards;
- Cleaning protocols and procedures for Metro bus stops are effective;
- Bus stops are cleaned and maintained according to Metro protocols and procedures; and
- Bus stops are clean and safe for Metro employees, customers, visitors and surrounding communities.



Results of Audit

Our audit found:

- No industry standards for bus stops cleaning; Metro generally complies with the industry standards for bus stops safety;
- The following issues were found, mostly at bus stops in the public easements:
 - Graffiti, dirty sidewalks, uncollected trash, and other maintenance issues
 - Safety issues such as no proper lighting at bus stops
 - Homeless encampment
 - Illicit activities involving drugs and sex workers at bus stop zones

OIG provided **38** recommendations.



Recommendations

For Metro:

For Metro-owned Bus Stops: Utilize effective methods in removing graffiti, continue to implement regular cleaning schedules, consider sustainable options like lights for signposts generated by small solar panels, and take other measures to ensure that bus stops are clean and safe for the public.

Consider communicating bus stop repairs to the public with a public-facing “dashboard” on Metro’s website that will provide transparency and information to the public about any reported bus stops that require maintenance or repair.

For Non-Metro-owned Bus Stops: Continue to coordinate with local municipalities; discuss ways to address the issues, especially the problems with drugs, homeless encampment, and sex workers at or near bus stops.

For Local Municipalities: Regularly monitor and take prompt action to correct deficiencies at bus stops on public easements.





Board Report

File #: 2025-0177, **File Type:** Informational Report

Agenda Number: 20.

FINANCE, BUDGET, AND AUDIT COMMITTEE APRIL 17, 2025

SUBJECT: FISCAL YEAR 2026 BUDGET DEVELOPMENT STATUS UPDATE

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE the Fiscal Year 2026 (FY26) Budget Development Status Update.

ISSUE

This report continues a series of monthly updates on the FY26 Budget development process, culminating in a planned May 2025 Board Adoption. The report focuses on the key areas of Metro's Transit Operations and Maintenance (O&M) Program and Transit Capital Improvement Program (CIP) to maintain transit infrastructure in a state of good repair. These two programs combined make up 37% of Metro's total budget. The projects in these programs rely on federal funding. With the uncertainties surrounding the federal funding program, this preliminary budget assumes no changes in the availability of these funds. As more information becomes available, service delivery will continue to be the highest priority as we conduct a comprehensive assessment to evaluate funding, schedule, and scope to mitigate the impact of the potential loss of federal funds.

Additionally, an overview of Congestion Management, General Planning and Programs, and Oversight and Administration, which make up about 5% of Metro's total budget are included to complete the program budget discussions for the FY26 Budget development process. A recap of the latest update regarding Metro's comprehensive budget outreach efforts is also included in this report.

BACKGROUND

This preliminary budget serves as the annual expenditures required to advance Transit Operations' plans, fulfill Operations and Maintenance needs, repair and upgrade through the Capital Improvement Program (CIP), and enhance customer experience. While the Operations and Maintenance and Capital Improvement Program budgets reflect this annual cash flow, Capital Improvement Program is controlled at a Life of Project (LOP) budget level.

DISCUSSION

Metro Transit Operations and Maintenance Program Overview

Metro Transit's Operations & Maintenance (O&M) program is committed to attracting and retaining riders by delivering best-in-class transit service that prioritizes core ridership groups like low-income and zero-vehicle households and uses the Equity Focus Communities (EFCs) Map to understand equity needs and impacts. This commitment is reflected in continued NextGen service improvements, expansion of our transit network with new rail services, enhanced customer experience, reimagined public safety, and expanded accessibility and affordability for all riders.

To achieve these goals, the FY26 Preliminary Budget for O&M is \$2.89 billion, reflecting a 5.8% increase or \$157.6 million over FY25. This budget supports 8.9 million revenue service hours (RSH) across bus and rail services, and the continuation of the Metro Micro Pilot program that provides flexible and responsive transit solutions. Additionally, the budget includes staffing increases to support new rail expansions and enhance safety, cleanliness, customer experience, and operational reliability across the system.

Figure 1:

	Operations & Maintenance (\$ in millions)	FY25 Budget	FY26 Preliminary	\$ Change	% Change	% of Total
1	Bus	\$ 1,792.9	\$ 1,897.6	\$ 104.8	5.8%	65.7%
2	Rail	896.2	968.1	71.8	8.0%	33.5%
3	Metro Micro	42.1	23.1	(19.0)	-45.2%	0.8%
4	Operations & Maintenance Total	\$ 2,731.2	\$ 2,888.8	\$ 157.6	5.8%	100.0%
5	Cost per RSH					
6	Bus	\$ 250.5	\$ 266.1	\$ 15.6	6.2%	
7	Rail	\$ 638.8	\$ 633.3	\$ (5.5)	-0.9%	
8	Metro Micro	\$ 155.1	\$ 91.2	\$ (63.8)	-41.2%	

Note: Totals may not add up because of rounding.

Service Plan Assumptions

Bus

The Board approved service plan serves as the foundation for estimating all costs necessary to operate the system in the upcoming fiscal year. Through NextGen, the bus service plan has been redesigned to provide an all-day, fast, frequent, and reliable network with an equity methodology placing more service in Equity Focus Communities that have historically been transit dependent.

In FY26, Metro Bus service is expected to operate 7.13 million RSH, maintaining the existing NextGen Bus Plan Service levels. Bus service also includes 7.2 thousand RSH planned for World Cup service in June 2026 which will continue into FY27. Efforts will continue to expand NextGen Bus Speed and Reliability initiatives including new bus priority lanes and transit signal priority. The continued expansion of these initiatives will be done alongside ongoing improvements to bus stops curb designs and terminals to reduce travel time and improve the rider experience.

Rail

Metro's FY26 rail service levels are planned to meet current demand while expanding service to accommodate ridership growth and increase access to opportunities throughout the region. The plan includes 1.53 million rail RSH, a 17.2% increase from FY25 estimated actuals. It includes service for four light rail lines (A, C, E, K) and two heavy rail lines (B, D), with increased service on the A, B and D Lines due to system expansion of the A Line to Pomona and the first segment of the Purple (D) Line Extension to La Cienega Bl.

With the opening of the first segment of the D Line Extension, the D Line will operate a 5- minutes peak and 10-minutes off-peak service, while the B Line's service frequency will improve from 12 minutes throughout the day to 10 minutes. This will accommodate ridership growth from the D Line extension and on-going rail ridership recovery. Additionally, the plan includes improved peak weekday service frequency on the C and K Lines from 10 minutes to 8 minutes.

Metro's rail network will continue to expand in FY26 with two major Rail extensions:

- **A Line Extension** - Extending 9.2 miles from Azusa to Pomona, adding four new stations: Glendora, San Dimas, La Verne, and Pomona.
- **D Line Extension** - Extending 3.8 miles from Koreatown through Miracle Mile, adding three new stations: Wilshire/La Brea, Wilshire/Fairfax, and Wilshire/La Cienega.

Additionally, 29.9 thousand pre-revenue service hours are allocated for testing Phase I and II of the D Line Extension, ensuring smooth service integration to revenue operation.

Metro Micro Pilot

Metro introduced a new Metro Micro Pilot business model featuring two separate contracts for service operations and software services to enhance control and financial sustainability. Under this model, Metro will no longer provide operators or supervisors, as staffing is included in the service operations contract. This model allows Metro to continue providing important first-last mile connections. Metro Micro service areas cover a variety of zones that all serve EFCs.

The FY26 Preliminary Budget for the Metro Micro Pilot is \$23.1 million, reflecting a \$19 million, or 45.2% decrease from FY25, driven by efficiency gains including a new delivery model contracting the operation of this service while maintaining the same geographical coverage, supporting 253 thousand RSH.

Increased Budget Resource Allocation for Enhanced Customer Experience

Cleaning

The FY26 Preliminary Budget allocates \$316.2 million for cleaning efforts, a 13.1% or \$36.6 million

increase over FY25. This funding supports 1,279 FTEs, an increase of 124 staff from FY25, dedicated to maintaining bus and rail vehicles, stations, stops, and facilities. include expanding End-of-Line (EOL) cleaning to three shifts, seven days and week, piloting a mid-line cleaning program, along with additional custodial staff to support the A and D Line expansions. Figure 2 summarizes the increases in FTEs and budget request from FY25 to FY26.

Figure 2:
(\$ in millions)

Area	FY25 FTE	FY26 FTE	Change	% Change	FY25 Budget	FY26 Preliminary	Change	% Change
Buses	398	398	-	0.0%	\$ 83.6	\$ 86.4	\$ 2.9	3.4%
Trains	208	292	84	40.4%	41.5	59.4	17.9	43.2%
Facilities	127	127	-	0.0%	34.0	35.6	1.6	4.8%
Stations	389	424	35	9.0%	105.5	120.0	14.4	13.7%
Stops	23	23	-	0.0%	4.5	4.7	0.16	3.4%
Station Experience (SE)	10	15	5	50.0%	10.4	10.0	(0.4)	-3.8%
Cleaning & SE Total	1,155	1,279	124	10.7%	\$ 279.5	\$ 316.2	\$ 36.6	13.1%

Station Experience

The CEO-established Station Experience (SE) unit has been highly effective in reducing crime and loitering at stations. Building on this success, SE is expanding to more locations with a focus on safety, cleanliness, mini-makeovers, and customer experience enhancements. Metro remains committed to community feedback, addressing key concerns such as safety, cleanliness, improved lighting, and mobile ADA-accessible restrooms. Metro prioritizes equity in station improvement initiatives by considering impacts on marginalized communities, ensuring accessibility, and engaging advisory groups for transparency and feedback.

The FY26 Preliminary Budget allocates \$10.0 million for SE initiatives and enhancements at additional stations. It also includes an increase of 5 Full-Time Equivalents (FTEs) from the FY25 Budget, bringing the total to 15 FTEs.

See Attachment A for more details on enhanced customer experience efforts.

Public Safety

Resource Deployment

One of the top priorities for Metro and our riders is safety. Metro's Reimagining Public Safety Framework outlines a multi-layered approach to enhance public safety on the system. This multi-layered approach includes the Metro Transit Ambassadors, homeless outreach, Metro Transit Security (MTS), private security, and law enforcement.

Metro will transition 354 contracted Ambassador program staff to Metro Full-Time Equivalents and add 46 MTS Officers to cover the upcoming D Line (Purple) Subway Extension Sections 1, 2 and A Line to Pomona Extension. The five-year phased establishment of Metro's Transit Community Public Safety Department (TCPSPD) will also begin with hiring 8 key leadership personnel and start-up

activities. The other requests allow deployment of Community Intervention Specialists (CIS) on the K Line, homeless outreach, enhanced private security and contract law enforcement services across the Metro expanding system. The preliminary budget for FY26 Public Safety Resource Deployment is \$392.5 million, a 1.9% increase from the FY25 Budget, shown in Figure 3 below.

Figure 3:

Public Safety Resource Deployment (\$ in millions)		FY25 Budget	FY26 Preliminary	\$ Change	% Change
1	Transit Ambassadors ⁽¹⁾	\$ 25.5	\$ 26.0	\$ 0.5	2.0%
2	Community Intervention Specialists (CIS)	9.3	9.3	-	0.0%
3	Homeless Outreach	25.3	21.5	(3.8)	-15.0%
4	Metro Transit Security (MTS) ⁽²⁾	71.0	75.0	4.0	5.6%
5	Private Security	39.4	41.2	1.8	4.6%
6	Law Enforcement	214.6	214.6	-	0.0%
7	Transit Community Public Safety Department (TCPSP) ⁽³⁾	-	4.8	4.8	N/A
8	Public Safety Resource Deployment Total	\$ 385.1	\$ 392.5	\$ 7.3	1.9%

Note: Totals may not add up due to rounding.

⁽¹⁾ FY26 Budget will be updated at the conclusion of the in-house program labor negotiations.

⁽²⁾ Labor related budget including salaries, fringe benefits, workers' compensation, and other indirect costs.

⁽³⁾ Includes \$3M for start-up activities and \$1.8M for labor related costs in FY26.

Public Safety Capital Projects

Metro's public safety capital budget focuses on promoting a safer environment for all riders and Metro employees by maintaining, upgrading and modernizing technology and infrastructure related to transit security. The FY26 Preliminary Budget of \$34.5 million reflects an increase of \$17.5 million over the FY25 Budget (Figure 4) and covers fencing installations and enhancements, emergency communication improvements, security technology upgrades and acquisitions.

Figure 4:

Public Safety Capital Projects (\$ in millions)		FY25 Budget	FY26 Preliminary	\$ Change	% Change
1	Union Station Fencing	\$ -	\$ 4.6	\$ 4.6	N/A
2	Metro Center Street Project (Close-out)	0.3	0.5	0.2	83.2%
3	SSLE LAUS CCTV Upgrades	0.7	0.7	-	0.0%
4	SSLE LAUS Patio Security Fence	0.7	0.7	-	0.0%
5	High-Security Fencing & Installation	-	4.5	4.5	N/A
6	CCTV Expansion	-	4.4	4.4	N/A
7	ESOC Alert Notifications	-	1.4	1.4	N/A
8	Transit Security Communication Enhancement	-	2.4	2.4	N/A
9	Faregates Pilot / TAP to Exit	15.4	-	(15.4)	-100.0%
10	Faregate Retrofit Phase 2	-	15.3	15.3	N/A
11	Public Safety Capital Projects Total	\$ 17.1	\$ 34.5	\$ 17.5	102.3%

Note: Totals may not add up due to rounding.

Metro Transit Capital Improvement Program (CIP) Budget

The CIP goal is to methodically renew and improve Metro Transit Systems while maximizing scarce bus and rail capital resources. The CIP budget focuses on maintaining, upgrading, and modernizing assets and infrastructure to provide high quality and reliable transit services. Capital asset improvements within this budget include the implementation of new technologies, rolling stock purchases, rolling stock modernization, station improvements, and other components.

The CIP preliminary budget for FY26 requests \$608.8 million to maintain Metro's bus, rail, regional, and critical information systems needed to manage and monitor system-wide performance. The budget reflects the necessary cash flow to complete FY26 milestones and deliverables. A profile of the CIP program is shown in figure 5 below.

Figure 5:

Capital Category (\$ in millions)	FY25 Budget	FY26 Preliminary	\$ Change	% Change	% of Total
1 Fleet Procurement	\$ 47.5	\$ 36.0	\$ (11.5)	-24.2%	5.9%
2 Fleet Maintenance	49.1	51.2	2.1	4.3%	8.4%
3 Facilities Improvements	48.8	89.1	40.4	82.8%	14.6%
4 Bus Subtotal	\$ 145.4	\$ 176.4	\$ 31.0	21.3%	29.0%
5 Fleet Procurement	\$ 58.5	\$ 74.6	\$ 16.1	27.6%	12.3%
6 Fleet Maintenance	94.2	106.6	12.4	13.2%	17.5%
7 Facilities Improvements	19.0	20.3	1.3	6.7%	3.3%
8 Wayside Systems	64.1	52.0	(12.1)	-18.9%	8.5%
9 Rail Subtotal	\$ 235.7	\$ 253.4	\$ 17.7	7.5%	41.6%
10 Regional and Hubs	\$ 77.9	\$ 61.4	\$ (16.5)	-21.2%	10.1%
11 Technology	69.8	66.4	(3.5)	-5.0%	10.9%
12 Non MR/MM Major Construction	39.6	36.8	(2.8)	-7.0%	6.1%
13 Non-Revenue Vehicles	8.9	14.4	5.5	61.8%	2.4%
14 Other Asset Improvements Subtotal	\$ 196.3	\$ 179.0	\$ (17.2)	-8.8%	29.4%
15 Total Proposed CIP Budget	\$ 577.4	\$ 608.8	\$ 31.4	5.4%	100.0%

Note: Totals may not add up due to rounding.

Metro will continue working toward achieving a zero-emission bus (ZEB) fleet in the coming years. This effort will require a \$3.5 billion to \$4.4 billion investment in buses and charging infrastructure. Although there is a decrease in bus acquisition expenditures this year, new ZEB acquisitions are in the pipeline and will increase as available technology and manufacturing capacity permits. A majority of the Bus Fleet Procurement, line 1 in figure 5, and Facilities Improvements, line 3 in figure 5, are dedicated to ZEB. See Attachment B for additional CIP budget details.

Total Bus Investment

Metro prioritizes its investments in bus services, which includes the cost of the operations, maintenance, NextGen initiatives, capital improvements, planning and construction efforts, as well as other customer experience initiatives and studies. The FY26 Budget includes \$2.47 billion in bus investments as shown in Figure 6 below.

See Attachment C for additional Bus Investment details.

Figure 6:

Bus Investments (\$ in Millions)		FY25 Budget	FY26 Preliminary	\$ Change	% Change	% of Total
1	Bus Operations & Maintenance	\$ 1,792.9	\$ 1,897.3	\$ 104.4	5.8%	76.8%
2	Bus NextGen	44.8	43.4	(1.5)	-3.3%	1.8%
3	Bus Capital Improvements	159.4	175.3	15.9	10.0%	7.1%
4	Bus Transit Construction & Planning	245.8	327.0	81.2	33.1%	13.2%
5	LIFE Program/Bus	27.1	28.8	1.7	6.1%	1.2%
6	Total of Bus Investments	\$ 2,270.0	\$ 2,471.7	\$ 201.7	8.9%	100.0%

Note: Totals may not add up because of rounding.

General Planning & Programming, Congestion Management, and Oversight and Administration

Figure 7:

Expenditures by Program Type (\$ in millions)		FY25 Budget	FY26 Preliminary	\$ Change	% Change	% of Total
1	General Planning & Programs	257.9	280.0	22.1	8.6%	3.1%
2	Congestion Management	124.4	129.9	5.5	4.4%	1.4%
3	Oversight & Administration	89.4	101.7	12.4	13.8%	1.1%
4	Total	\$ 471.7	\$ 511.6	\$ 39.9	8.5%	5.7%

General Planning & Programming

The FY26 Preliminary Budget for General Planning & Programs (GPP) Budget totals \$280 million, an increase of 8.6% or \$22.1 million from FY25. GPP encompasses a wide range of activities that support the agency's goal of delivering improved mobility, sustainability, as well as financial and technical support to Metro's partners throughout LA County. Activities under this program include long-range and systemwide financial planning and grants management, new and enhanced transit infrastructure, various aspects of Metro's bike program, unsolicited proposals and public private partnerships (P3), sustainability, joint development efforts and Union Station upgrades. Changes in the GPP budget reflect more progress on equity outcome-driven initiatives like the Joint Development 10K housing work, additional support for the Regional grants management program, and the continuing work for the Street Safety and Transit to Parks programs.

Congestion Management

The FY26 Preliminary Budget for Congestion Management totals \$129.9 million, an increase of 4.4% or \$5.5 million from FY25. The program consists of four major groups: ExpressLanes, Freeway Service Patrol (FSP), Motorist Services, and Rideshare Services. The expenditure increase in FY26 is mainly due to the procurement of a new ExpressLanes Back Office System to help ensure account security, system performance, and invoice accuracy.

Oversight and Administration

The FY26 Preliminary Budget for Oversight and Administration totals \$101.7 million, representing 1.1% of the Agency's total annual budget. This program consists of legal services, ethics compliance, internal investigations, regulatory environmental assessments as well as legally mandated financial and compliance audits. Agencywide support functions include investments in areas of customer experience to deliver transportation services for LA's key journeys as well as valuing the workforce by attracting and retaining the best employee base.

Continued investments are planned to value our workforce, which includes the Employee Engagement and Recognition Programs, Transportation School (SEED LA) and Workforce Initiative Now (WIN-LA) to create future employment opportunities in our communities. Other investments include software and hardware license renewals and maintenance support to help drive efficiency and performance.

Metro is creating a digital roadmap to enhance customer experience with our technology platforms and conducting traffic reduction study to deliver world class transportation. In addition, Metro will be enhancing the Customer Experience Plan to provide better ridership experience.

Early & Expanded Public Engagement Update

To ensure the FY26 Budget reflects community priorities and fosters public engagement, Metro has conducted a comprehensive and multi-faceted outreach strategy. This includes the 'My Metro Budget Activity,' a Telephone Town Hall, a dedicated Budget Portal (<https://budget.metro.net/>), targeted stakeholder meetings, and culminating in a formal public hearing. During February and March, all departments received My Metro Budget Activity input via a dashboard related to their programs and projects and incorporated the feedback into their budget development. This approach will provide Metro and the Board with critical community feedback and data to inform final budget decisions.

Throughout April and May, Metro will continue to have meetings with stakeholders to present and collect more feedback on the FY26 Budget, followed by the budget public hearing in May. Additional details on the comments received via the My Metro Budget activity and stakeholder meetings are in Attachment D.

DETERMINATION OF SAFETY IMPACT

This recommendation will not have an impact on safety standards at Metro.

EQUITY PLATFORM

Metro's commitment to equity is embedded in the FY26 Budget development process through the continued application of Equity Zero-Based Budgeting (EZBB). Guided by the pillars of 'Listen and Learn' and 'Focus and Deliver,' Metro is ensuring that resource allocation directly addresses the diverse needs of riders and results in meaningful outcomes that improve access to opportunity. These pillars are acted on by continuously learning from stakeholders and using needs-based analyses to develop targeted solutions to improve mobility in Los Angeles County and the surrounding region. Public feedback is meticulously documented and integrated into the budget, shaping priorities that reflect our community's values. OMB will continue to assess the budget's

impact on equity, sustainability, safety, and ADA accessibility, ensuring our system serves all residents effectively.

In summary, this month's budget update addresses increased access to opportunities throughout the region. Leveraging the EFC map, Metro has been able to understand regional equity needs and impact for low-income and zero-vehicle households and respond to them with first last-mile and community employment initiatives. As federal funding uncertainty remains, Metro recognizes the potential for disproportionate impacts on communities. The budget will continue to prioritize investments that maintain essential service levels and ensure that funds will be distributed in a way that prioritizes the needs of the communities who are most reliant on the service.

VEHICLE MILES TRAVELED OUTCOME

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

Although this item is administrative, providing an update on the development of specific parts of Metro's upcoming proposed budget, the programs discussed in this item are expected to contribute to further reductions in VMT. They support Metro's systemwide strategy to reduce VMT through expanding transit services, improving accessibility and affordability, enhancing safety and cleanliness, and improving customer experience to attract and retain riders.

The budget allocations discussed in this item will support the delivery of 8.9 million revenue service hours (RSH) across bus, rail (including two rail line extensions), and the Metro Micro Pilot project. The preliminary budget funds efforts to provide a safe, reliable, affordable and clean transit service by enhancing the customer experience, such as more frequent bus and rail cleaning, multi-layered safety initiatives, the Station Experience program, upgrades to faregates, station lighting and cleanliness, and addition of mobile public restrooms. It also provides resources for infrastructure and fleet maintenance, rolling stock upgrades, and new technology implementation, ensuring a safe, affordable, high-quality transit system that encourages ridership growth. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

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

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports the following Metro Strategic Plan Goal:

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

NEXT STEPS

Staff continues to review and refine the FY26 Preliminary Budget as it advances through the process, carried out through the delivery of the Service Plan and Capital Improvement Plan, as well as planned Agency-wide initiatives. The FY26 Proposed Budget will be published on April 30, 2025. A public hearing will be held on May 15, 2025, for the Board's consideration to adopt the proposed FY26 Budget on May 22, 2025.

ATTACHMENTS

Attachment A - Enhanced Customer Experience

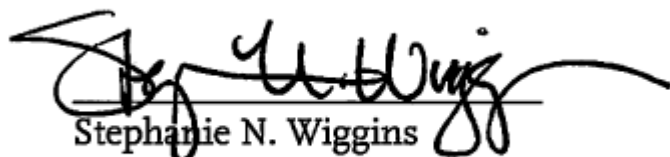
Attachment B - Metro Transit Capital Improvement Program Details

Attachment C - Total Bus Investments

Attachment D - Early, Improved & Expanded Public Engagement Update

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Stephanie N. Wiggins
Chief Executive Officer

Attachment A : Enhanced Customer Experience

The FY26 Preliminary Budget allocates \$316.2 million for cleaning efforts, a 13.1% or \$36.6 million increase over FY25.

(\$ in millions)

Area	FY25 FTE	FY26 FTE	Change	% Change	FY25 Budget	FY26 Preliminary	Change	% Change
Buses	398	398	-	0.0%	\$ 83.6	\$ 86.4	\$ 2.9	3.4%
Trains	208	292	84	40.4%	41.5	59.4	17.9	43.2%
Facilities	127	127	-	0.0%	34.0	35.6	1.6	4.8%
Stations	389	424	35	9.0%	105.5	120.0	14.4	13.7%
Stops	23	23	-	0.0%	4.5	4.7	0.16	3.4%
Station Experience (SE)	10	15	5	50.0%	10.4	10.0	(0.4)	-3.8%
Cleaning & SE Total	1,155	1,279	124	10.7%	\$ 279.5	\$ 316.2	\$ 36.6	13.1%

Cleaning

Bus Cleaning

The FY26 Budget outlines a comprehensive plan for daily bus cleaning across four terminals, operating seven days a week. The terminals slated for cleaning include Terminal 17 (Maple Lot), Terminal 19 (El Monte), Terminal 26 (Washington/Fairfax), and Terminal 28 (18th St).

End of Line Rail Car Cleaning

The current coverage, two shifts over 7 days, will be expanded to include 7-day, three-shift coverage at 9 terminuses (B/NoHo, D/Wilshire & Western, E/Downtown Santa Monica, E/Atlantic, K/Westchester/Veterans, C/Redondo Beach, C/Norwalk, A/Downtown Long Beach, A/APU/Citrus College) and will pilot a mid-line cleaning program. This expansion ensures thorough cleaning of rail cars during revenue service and at rail yards.

Transit Centers and Rail Station Cleaning

Metro continues our Hot Spot cleaning initiative, which involves deploying extra custodial staff alongside supervisors to 17 stations. The stations include Compton, Downtown Long Beach, Firestone, Slauson, Norwalk, Harbor Freeway, Sierra Madre Villa, Lake, Soto, Allen, Mariachi, Downtown Santa Monica, Harbor Gateway Transit Center (J/Silver Line), PCH (J/Silver Line), 37th St/USC (J/Silver Line), Terminal 19 (El Monte Transit Center), and Terminal 27 (LAX Transit Center).

Facilities Cleaning

One of the customers' first perceptions of the Metro system is the condition of its facilities. Metro's facilities maintenance team and contractors perform a varied range of essential tasks, including graffiti control and abatement, pest, and bird control, weed

control, power sweeping, and trash and vegetation removal, to keep our facilities well-maintained.

Station Improvements

Metro will invest significantly in faregate upgrades, enhanced CCTV systems, various lighting retrofit, and improvements to signage and wayside features throughout the system to enhance the overall station experience.

Public restrooms

Throne bathrooms, which are ADA accessible, offer a safe, clean, and technology-equipped restroom experience that helps prevent misuse and enhances safety and hygiene in the system. Metro plans to continue expanding these bathrooms, with about five new units being added every three months as part of the Board-approved plan. In FY26, Metro is aiming for up to 50 units by the Summer 2026 World Cup and a total of 64 units by early 2027. Once fully operational, an updated Go Metro map will highlight their locations.

Elevators/Escalators

The FY26 Preliminary Budget includes additional funds to modernize and replace aging elevators and escalators for improved reliability and accessibility. Newer elevators have been reprogrammed to keep doors open when not in use, enhancing cleanliness and safety, but most older elevators lack this feature. To address this, the plan includes adding elevator attendants using Return-to-Work employees to monitor elevator activity and assist customers. This approach is similar to BART's use of elevator attendants at their most problematic elevators.

Tap-To-Exit and Taller Fare Gates

The TAP-to-Exit program, which started at North Hollywood and expanded to Union Station in February, now covers both B Line end-of-line stations with positive rider feedback. Reprogrammed faregates automatically correct unpaid exits, enhancing access control, while the CX team's initiatives improved station circulation and supported LIFE program enrollments. A new passenger flow plan has reduced entry/exit conflicts, particularly for Metrolink riders.

To enhance security and ensure fare compliance, the budget allocates funds to modernize the fare collection system by installing taller faregates, beginning with the LAX/Metro Transit Center Station. This upgrade will improve access control, reduce trespassing, and streamline passenger movement while adhering to the installation schedule. The initial pilot has been expanded to retrofit ten high-fare-evasion stations in Phase 1, supported by \$14.4 million in funding in FY25 Budget. Phase 2 will include \$15.3 million in FY26 Preliminary Budget for the retrofit of 11 additional stations by October 2025. New rail services will feature taller gates, which have been tested for

usability and integration to enhance security, prevent fare evasion, and optimize passenger flow.

Weapons Detection Systems Pilot Program

The concealed weapons detection solution can provide an extra layer of security for riders boarding Metro's transportation system and enhance the agency's overall security posture. The pilot program will continue into FY26 as the Metro Board approved extending it for 12 months in its February 2025 meeting to include additional key high-traffic transit stations and buses. As a passenger walks through this detection system, the system uses its advanced sensors, AI, and other technologies to detect concealed weapons without requiring them to stop and remove any belongings.

Attachment B : Metro Transit Capital Improvement Program Details

Metro Transit : Capital Improvement Program (CIP)

To provide world class bus and rail service, assets and infrastructure are maintained in a state of good repair through the CIP program. Projects within the CIP focus on keeping the system assets safe and reliable to ensure Board approved service levels are delivered. CIP program is designed to replace assets that have met or exceeded their useful life, or to propose additions for service expansion and enhancement.

	Capital Category (\$ in millions)	FY25 Budget	FY26 Preliminary	\$ Change	% Change	% of Total
1	Fleet Procurement	\$ 47.5	\$ 36.0	\$ (11.5)	-24.2%	5.9%
2	Fleet Maintenance	49.1	51.2	2.1	4.3%	8.4%
3	Facilities Improvements	48.8	89.1	40.4	82.8%	14.6%
4	Bus Subtotal	\$ 145.4	\$ 176.4	\$ 31.0	21.3%	29.0%
5	Fleet Procurement	\$ 58.5	\$ 74.6	\$ 16.1	27.6%	12.3%
6	Fleet Maintenance	94.2	106.6	12.4	13.2%	17.5%
7	Facilities Improvements	19.0	20.3	1.3	6.7%	3.3%
8	Wayside Systems	64.1	52.0	(12.1)	-18.9%	8.5%
9	Rail Subtotal	\$ 235.7	\$ 253.4	\$ 17.7	7.5%	41.6%
10	Regional and Hubs	\$ 77.9	\$ 61.4	\$ (16.5)	-21.2%	10.1%
11	Technology	69.8	66.4	(3.5)	-5.0%	10.9%
12	Non MR/MM Major Construction	39.6	36.8	(2.8)	-7.0%	6.1%
13	Non-Revenue Vehicles	8.9	14.4	5.5	61.8%	2.4%
14	Other Asset Improvements Subtotal	\$ 196.3	\$ 179.0	\$ (17.2)	-8.8%	29.4%
15	Total Proposed CIP Budget	\$ 577.4	\$ 608.8	\$ 31.4	5.4%	100.0%

Bus Program

Fleet Procurement, Fleet Maintenance, and Facilities Improvements make up \$176.4 million or 29.0% of the total CIP budget.

Bus – Fleet Procurement

Metro is continuing its pursuit of a truly sustainable bus fleet. The Board has adopted a goal of converting Metro's entire fleet of buses from Compressed Natural Gas (CNG) to Zero Emission electric Buses (ZEB). This is an ambitious goal considering Metro has the second largest bus fleet in the United States, and places high mileage and vehicle performance demand on its 2,100 buses. Metro anticipates continued deliveries of 100 forty-foot Battery Electric Buses (BEB) buses and finalizing payment for prior procurements of 40' and 60' BEB and CNG buses.

Bus - Fleet Maintenance

Bus fleet maintenance projects represent \$51.2 million or 8.4% of the CIP budget. Bus maintenance projects include bus midlife refurbishment and integrated engine replacement. Midlife refurbishment ensures that our buses are operational for their designated useful life, which includes structural integrity checks and change-out of

critical system components. The refurbishment program also consists of installation of fare box upgrades and upgraded ADA wheelchair securement equipment. All buses scheduled for midlife refurbishment are based on bus age, revenue service miles, and reliability measurements of each bus series.

Bus - Facilities Improvements

Bus facilities improvements make up \$89.1 million or 14.6% of the CIP budget. These projects include electric charging infrastructure, development of master plans for facility upgrades, site refurbishment, and site reconfigurations to upgrade and maintain facilities. Upgrades include regulatory compliance mandates, such as replacement of underground fuel storage tanks, roofs, building ventilation, upgrade of fire alarm systems, bus division pavement replacement, and security fence installation. Establishing an Operations Central Instruction (OCI) campus which will create a consolidated training location for bus operators and front-line staff. In total, this is an increase of \$40.4 million from last year, of which a significant portion is related to electric charging infrastructure installation.

Zero Emissions Bus (ZEB) Initiative

Electric and ZEB technology is still in the development stage. Metro will partner with electric bus manufacturers to test, develop, and improve electric bus and charging infrastructure technology to the point of full technological maturity. The FY26 Budget represents a step towards realizing this goal. Approximately \$92.2 million or 15.1% of the CIP budget is allocated for these efforts. In total, this is an increase of \$8.6M or 10.3% from the FY25 Budget and reflects continued efforts to acquire ZEB buses and develop commensurate infrastructure. Metro is procuring ZEB buses as quickly as technology and vehicle availability allow. Metro is also investing in BEB charging infrastructure. Placement of new electric charging equipment and infrastructure will continue at stations on the J Line (Silver) alignment, as well as operating divisions.

Rail Program

Rail Fleet Procurement, Vehicle Maintenance, Facilities Improvements, and Wayside Systems repair and replacement total \$253.4 million or 41.6% of the CIP budget.

Rail - Fleet Procurement

Light and heavy rail vehicle procurement is allocated \$74.6 million or 12.3% of the CIP budget. It is dedicated to vehicle deliveries for both rail expansion and existing vehicle replacement. A new Light Rail Vehicle (LRV) procurement begins this year for vehicles to be used on new line openings and replacement of 52 Siemens LRV's that are approaching the end of their useful life. The procurement of Heavy Rail Vehicles (HRV) that includes the purchase of 64 vehicles for replacement of A650 vehicles and 34 for the Purple Line Extension (PLE), Section 1, is in progress. This is a major milestone in the process of replacing the original B (Red) Line cars that began service in 1992. These new vehicles will replace the existing vehicles and will have many amenities that

will enhance the transit customer experience. Procurement is also underway of an additional 182 vehicles for PLE Sections 2 & 3, and system service expansion.

Rail - Fleet Maintenance

Rail Vehicle Maintenance projects are allocated \$106.6 million or 17.5% of the CIP budget. This is an increase of 13.2% from \$94.2 million last year predominantly due to increased refurbishment and overhaul efforts. Vehicle subsystem overhauls will include refurbishment of gearboxes, Heating, Ventilation, and Air Conditioning (HVAC) systems.

The heavy rail vehicle midlife modernization consists of the change out of critical system components to extend the vehicle useful life on B Line (Red) vehicles. Vehicles scheduled for midlife will be sent offsite and be brought back for testing, inspection, and final acceptance to improve operational reliability.

Rail - Facilities Improvements

Rail facilities improvements projects make up \$20.3 million or 3.3% of the CIP budget. Projects are slated to maintain existing rail facilities with mandated regulatory and safety upgrades such as station/facility fire control panel installation, CCTV installation, platform gate replacement, various lighting retrofits, roof replacements, ventilation, HVAC system repairs, pavement replacement, elevator modernization, and art projects.

Rail - Wayside Systems

Wayside system improvements make up \$52.0 million or 8.5% of the CIP budget. Projects include the on-going replacement of the Supervisory Control and Data Acquisition (SCADA) system, as well as track system replacement, Overhead Catenary System (OCS) inspection/refurbishment, train control track circuits, tunnel corrosion mitigation, replacement of old wood track ties with composite ties, and replacement of mainline fasteners and many other maintenance projects.

Other Asset Improvements

Other Asset Improvements total \$179.0 million, 29.4% of the CIP budget. These projects are slated for regional construction improvements, replacement of maintenance vehicles/equipment, and technology upgrades. Metro will be making significant investments in safety related projects: track and tunnel intrusion technology, faregate retrofits, enhanced CCTV systems, transit security communications enhancements, ESOC alert notifications, improvements to signage throughout the system, along with projects to enhance the station experience. It will also include Traction Power Substation (TPSS) improvements for operational support, and technology upgrades for agency IT infrastructure and customer support systems. A significant technology project is continuing efforts with development and integration of the Enterprise Asset Management System (EAMS). Significant investments will also be made in Transit Signal Priority (TSP) and, as a part of NextGen. There will also be continued TAP Salesforce User Interface improvements. Metro is also consolidating various facilities

into an Operations Downtown Hub. Rail to Rail project work is nearing completion. Its FY26 Budget has led to the overall decrease in Non-MR/MM Major Construction Expenditures.

Attachment C : Total Bus Investments

Total Bus Investment in FY26 Preliminary Budget

Metro prioritizes its investments in bus services, which includes the cost of the operations, maintenance, NextGen initiatives, capital improvements, planning and construction efforts, as well as other customer experience initiatives and studies. The FY26 Budget includes \$2.47 billion in bus investments as shown in the table below.

	Bus Investments (\$ in thousands)	FY25 Budget	FY26 Preliminary	\$ Change	% Change	Life Of Project
1	Operations & Maintenance					
2	Directly Operated Service Delivery - Labor	\$ 701,590.6	\$ 741,490.7	\$ 39,900.2	5.7%	
3	Directly Operated Service Delivery - Parts, Supplies, CNG, Other	580,101.9	623,148.9	43,047.0	7.4%	
4	Cleanliness	116,303.8	120,691.6	4,387.7	3.8%	
5	Public Safety					
6	Security (LE/Private/Metro)	\$ 104,346.3	\$ 108,849.8	\$ 4,503.5	4.3%	
7	Transit Ambassador Program	4,744.0	5,071.4	327.4	6.9%	
8	Homeless Outreach	7,808.2	6,651.7	(1,156.4)	-14.8%	
9	Public Safety Subtotal	\$ 116,898.5	\$ 120,572.9	\$ 3,674.5	3.1%	
10	Other Operating and Support					
11	Workers Compensation	\$ 76,870.9	\$ 85,232.3	\$ 8,361.4	10.9%	
12	PLPD	44,660.6	45,294.5	633.9	1.4%	
13	Customer Care Call Center	24,085.3	27,147.1	3,061.7	12.7%	
14	Supply Chain, Warehouse & Inventory Management	59,708.6	65,190.8	5,482.2	9.2%	
16	Purchased Transportation	72,644.2	68,487.5	(4,156.7)	-5.7%	
15	Other Operating and Support Subtotal	\$ 277,969.6	\$ 291,352.1	\$ 13,382.5	4.8%	
17	Operations & Maintenance Subtotal	\$ 1,792,864.4	\$ 1,897,256.2	\$ 104,391.9	5.8%	
18	NextGen					
19	Bus Mobile Validators (BMV) (All Door Boarding)	\$ 1,711.3	\$ -	\$ (1,711.3)	-100.0%	\$ 18,100.0
21	Camera Bus Lane Enforcement	\$ 2,500.0	\$ 2,001.6	\$ (498.4)	-19.9%	\$ 11,000.0
20	Transit Signal Priority	\$ 3,569.3	\$ 4,624.6	\$ 1,055.2	29.6%	\$ 25,620.0
22	NextGen Bus Priority Lanes	\$ 4,788.6	\$ 4,776.1	\$ (12.5)	-0.3%	\$ -
23	NextGen Curb Improvements	\$ 8,130.1	\$ 7,741.0	\$ (389.1)	-4.8%	\$ -
24	NextGen Bus Stops and Shelters	16,401.8	16,429.2	27.4	0.2%	-
25	Bus Termini and Layover Improvement	3,000.0	3,570.8	570.8	19.0%	-
26	NextGen Bus Lanes	4,740.2	4,209.9	(530.3)	-11.2%	-
27	NextGen Subtotal	\$ 44,841.4	\$ 43,353.2	\$ (1,488.1)	-3.3%	\$ 54,720.0





Table Continues on next page.

Bus Investments (Continued)		FY25	FY26	\$	%	Life Of
(\$ in thousands)		Budget	Preliminary	Change	Change	Project
28	Bus Fleet Procurement					
29	40' Battery Electric Zero Emission Buses	\$ 41,118.3	\$ 21,497.1	\$ (19,621.2)	-47.7%	\$ 163,534.0
30	40' Compressed Natural Gas Buses	692.9	604.0	(89.0)	-12.8%	420,913.3
31	60' Battery Electric Zero Emission Buses	1,971.7	7,525.9	5,554.2	281.7%	80,003.3
32	60' Battery Electric Zero Emission Buses - Grant Funded	680.7	196.9	(483.8)	-71.1%	8,109.5
33	60' Compressed Natural Gas Buses	441.9	378.7	(63.2)	-14.3%	149,311.4
34	40' Battery Electric Zero Emission Buses & En-Route Charging Infrastructure	1,500.0	4,111.4	2,611.4	174.1%	-
35	Battery Electric Buses & Chargers	1,142.0	1,708.0	566.0	49.6%	-
36	Bus Fleet Procurement Subtotal	\$ 47,547.6	\$ 36,022.0	\$ (11,525.6)	-24.2%	\$ 821,871.6
37	Bus Facilities Improvements					
38	Bus Division Improvements IV	\$ 4,773.9	\$ 2,224.0	\$ (2,549.9)	-53.4%	\$ 28,000.0
39	Division 1 Street Closure	1,893.2	1,960.4	67.2	3.6%	9,500.0
40	Metro G Line (Orange) Reclaimed Water Project	92.7	122.8	30.1	32.4%	655.4
41	Electric Bus Charging Infrastructure J (Silver) Line	16,374.9	8,434.0	(7,940.9)	-48.5%	50,000.0
42	Division 8 Charging Infrastructure	8,000.0	2,505.2	(5,494.8)	-68.7%	65,150.0
43	Resilience Charging System	5,000.4	2,430.0	(2,570.4)	-51.4%	22,450.0
44	Division Zero Emission Bus Infrastructure Transition	2,000.0	3,175.8	1,175.8	58.8%	-
45	Environmental Compliance Capital Project (FY23-FY27)	4,941.5	13,084.7	8,143.2	164.8%	35,000.0
46	Fire Alarm Panel Replacement Throughout Metro Facilities	1,174.8	1,513.4	338.5	28.8%	9,830.0
47	Energy Resiliency	-	550.0	550.0	N/A	-
48	Division 7, ZEB Charging Infrastructure	500.0	22,186.9	21,686.9	4337.4%	218,410.0
49	Division 18, ZEB Charging Infrastructure	500.0	16,213.8	15,713.8	3142.8%	350,000.0
50	Bus Facilities Improvements Subtotal	\$ 45,251.5	\$ 74,400.9	\$ 29,149.4	64.4%	\$ 788,995.4
51	Bus Fleet Maintenance					
52	Bus Engine Replacements	\$ 3,287.9	\$ 3,379.4	\$ 91.4	2.8%	\$ 13,518.0
53	New Flyer/EI Dorado Bus Midlife	44,816.1	46,535.1	1,719.0	3.8%	205,000.0
54	Bus Maintenance Equipment Acquisition	1,000.0	1,291.7	291.7	29.2%	3,900.0
55	Collision Avoidance Demo	-	-	-	100.0%	-
56	Bus Fleet Maintenance Subtotal	\$ 49,104.0	\$ 51,206.2	\$ 2,102.2	4.3%	\$ 222,418.0
57	Regional & Hubs					
58	Passenger Screen-Facility Hardening	\$ 78.5	\$ -	\$ (78.5)	-100.0%	\$ 3,448.8
59	Validators For Muni Buses	2,722.1	-	(2,722.1)	-100.0%	4,912.0
60	Patsaouras Bus Plaza Station Improvements	15.0	15.0	-	0.0%	50,913.0
61	Bus Division Improvements V	2,818.0	1,786.2	(1,031.8)	-36.6%	35,000.0
62	Bus Stop Lighting	340.3	250.0	(90.3)	-26.5%	-
63	Regional & Hubs Subtotal	\$ 5,973.9	\$ 2,051.2	\$ (3,922.8)	-65.7%	\$ 94,273.8
64	Technology					
65	Advanced Transportation Management System II (ATMS) Replacement	\$ 10,807.3	\$ 11,207.3	\$ 400.0	3.7%	\$ 117,000.0
66	Technology Subtotal	\$ 10,807.3	\$ 11,207.3	\$ 400.0	3.7%	\$ 117,000.0
67	Non MR/MM Major Construction					
68	Rosa Parks/Willowbrook Station	\$ 739.9	\$ 405.0	\$ (334.9)	-45.3%	\$ 128,348.4
69	Non MR/MM Major Construction Subtotal	\$ 739.9	\$ 405.0	\$ (334.9)	-45.3%	\$ 128,348.4
70	Bus Capital Improvements Subtotal	\$ 159,424.2	\$ 175,292.6	\$ 15,868.4	10.0%	\$ 2,172,907.1
71	Transit Construction					
72	G Line (Orange) Bus Rapid Transit (BRT) Improvements	\$ 106,859.9	\$ 214,896.2	\$ 32,249.3	101.1%	\$ 149,683.0
73	North Hollywood to Pasadena BRT Connector	114,433.2	84,492.6	53,703.5	-26.2%	-
74	Transit Construction Subtotal	\$ 221,293.1	\$ 299,388.8	\$ 78,095.7	35.3%	\$ 149,683.0
75	Transit Planning					
76	Countywide BRT Planning	\$ 2,404.5	\$ 3,473.4	\$ (598.1)	44.5%	\$ -
77	North San Fernando Valley BRT	1,150.8	409.7	(1,317.2)	-64.4%	-
78	San Gabriel Valley (SGV) Feasibility Study	956.7	1,402.7	(978.2)	46.6%	-
79	Vermont Transit Corridor	19,945.5	22,326.9	13,683.5	11.9%	-
80	Other Bus Planning & Studies	37.2	32.4	(4.8)	-13.0%	-
81	Transit Planning Subtotal	\$ 24,494.7	\$ 27,645.1	\$ 3,150.4	12.9%	
82	Bus Transit Construction & Planning Subtotal	\$ 245,787.8	\$ 327,033.9	\$ 81,246.1	33.1%	\$ 149,683.0
83	LIFE Program/Bus	\$ 27,104.4	\$ 28,765.6	\$ 1,661.1	6.1%	
84	Bus Investments Total	\$ 2,248,193.2	\$ 2,471,701.5	\$ 223,508.3	9.9%	\$ 2,377,310.1

Attachment D : Early, Improved & Expanded Public Engagement Update

My Metro Budget Activity – Update

The 'My Metro Budget' online feedback platform remains open for public comment on the FY26 Budget through the end of May. As of March 19, 2025, Metro has exceeded our goal and has received over 6,000 responses, including over 4,100 unique comments. In March, Metro engaged Community Based Organizations (CBOs) using its established database through its Opportunity Center. AI-assisted comment summaries and responses for key programs are included in this month's budget update.

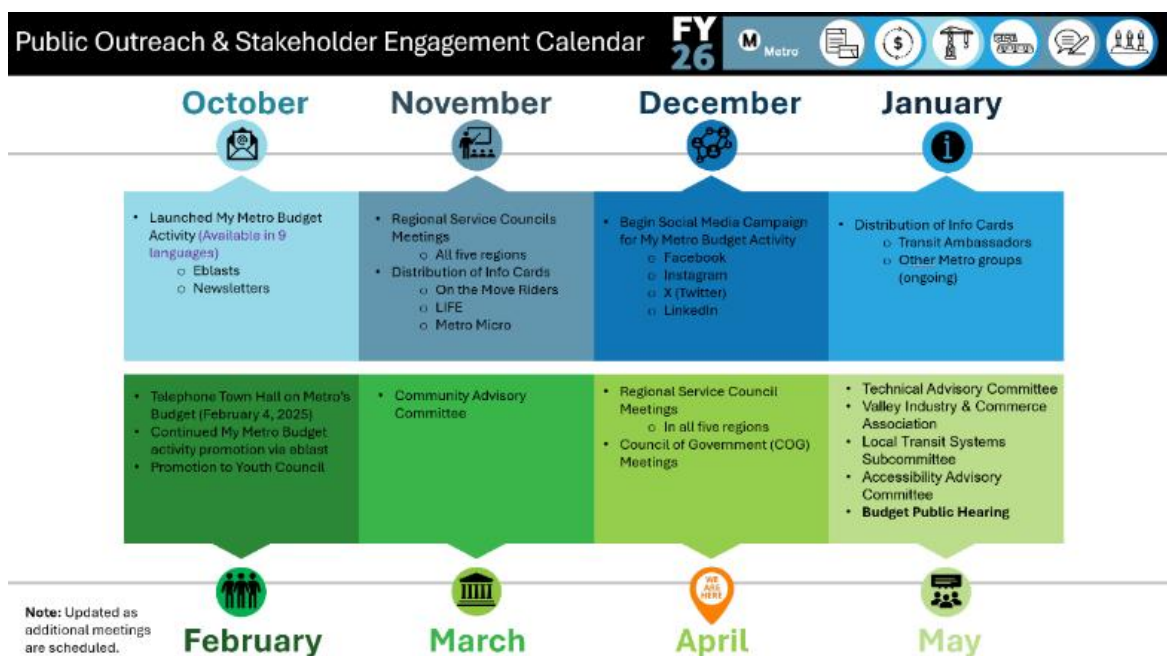
Program	What We Heard	What Metro is Doing (FY26 Budget)
Metro Transit Operations  (1,784 Comments)	Advocate funding emphasis on: <ul style="list-style-type: none"> ○ Increased bus & rail service ○ Increased bus & rail cleanliness 	<ul style="list-style-type: none"> • Station Experience (\$10M) • NextGen, Bus Speed & Reliability, bus priority lanes (\$29M) • Improved C Line, K Line, & B/D Line frequency (\$68M) • A Line to Pomona / D Line Extension Phase 1 (\$92M) • 40 service attendant positions to expand EOL & mid-line rail car cleaning 7 days/week, 3 shifts/day (\$8.3M) • 34 custodial positions - A & D Line (\$4.8M)
Capital Improvement Program (CIP)  (120 Comments)	Advocate funding emphasis on: <ul style="list-style-type: none"> ○ Increase safety on the system ○ Continuing fleet electrification ○ Improving reliability ○ Maintenance of existing infrastructure 	<ul style="list-style-type: none"> • Safety (\$16.6M) • Electrification <ul style="list-style-type: none"> ○ Zero Emissions Buses (ZEB) and Charging Infrastructure (\$92.2M) • Improve Bus & Rail Car Reliability <ul style="list-style-type: none"> ○ Overhaul/Midlifes (\$151.4M) ○ New Vehicles (\$111.2M) • Maintenance & Repair (\$155.5M)
Public Safety  (901 Comments)	Advocate funding emphasis on: <ul style="list-style-type: none"> ○ Improve mental health & homeless issues ○ Code of conduct enforcement ○ Faregate improvements/TAP-to-Exit expansion ○ Increase law enforcement & TSO visibility 	<ul style="list-style-type: none"> • Faregate improvements (\$15.3M) • Metro Center Street Project / ESOC Capital (\$1.92M) • ESOC Operating (\$2.6M) • TCPSD Start up (\$4.8M) • Homeless outreach (\$21.5M) • Transit Security Officers (\$75.0M) • Transit Ambassador Program (\$26.0M) • Community Intervention Specialists (\$9.3M)
General Planning and Programming  (804 Comments)	Advocate funding emphasis on: <ul style="list-style-type: none"> ○ Expanding bike lanes, hubs, and storage ○ Active transportation projects ○ Improve LA Union Station 	<ul style="list-style-type: none"> • Expand Bikeshare – Operating & Capital (\$30.7M) • Bike Path projects (\$17.0M) • Bike hub/lockers (\$1.4M) • Transit to Parks (\$2.1M) • Rail to River (\$1.4M) • LA Union Station infrastructure capital (\$14.4M)

Stakeholder Meetings & Outreach Efforts

Metro is committed to aligning its FY26 Budget with its Pillars of Equity, emphasizing 'Listen and Learn' and 'Focus and Deliver.' The 'Listen and Learn' pillar was advanced through comprehensive budget outreach, resulting in the collection and analysis of significant public input. 'Focus and Deliver' is reflected in the integration of data-driven decision-making throughout the budget development process.

April and May will continue to be essential months for public outreach. Stakeholders and community meetings will be held across the county, to ensure stakeholders, riders, and the public will be heard. Visit the Finance and Budget portal

<https://budget.metro.net> for the most up-to-date information on Metro's budget development.



Telephone Town Hall

Following public feedback from the February 4, 2025, Telephone Town Hall, the Board of Directors passed Motion 25 at their February 20, 2025, meeting. This motion directs staff to address concerns regarding lighting, transit cleanliness, elevator maintenance, business engagement (SBE/DBE), Metro Bikeshare, and fare programs. Staff are required to report back within 90 days on improvement initiatives, with an update scheduled for May.

FY26 Budget Development Status Update

April 17th, 2025 | Finance, Budget and Audit Committee



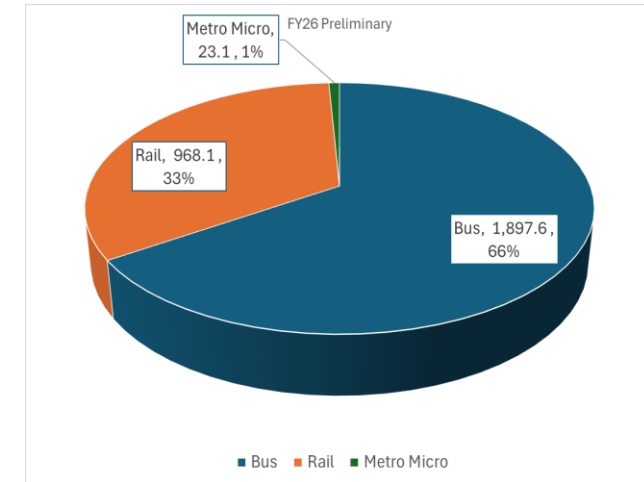
Metro Transit Operation & Maintenance

**FY
26**



Operations & Maintenance (\$ in millions)		FY25 Budget	FY26 Preliminary	\$ Change	% Change	% of Total
1	Bus	\$ 1,792.9	\$ 1,897.6	\$ 104.8	5.8%	65.7%
2	Rail	896.2	968.1	71.8	8.0%	33.5%
3	Metro Micro	42.1	23.1	(19.0)	-45.2%	0.8%
4	Operations & Maintenance Total	\$ 2,731.2	\$ 2,888.8	\$ 157.6	5.8%	100.0%

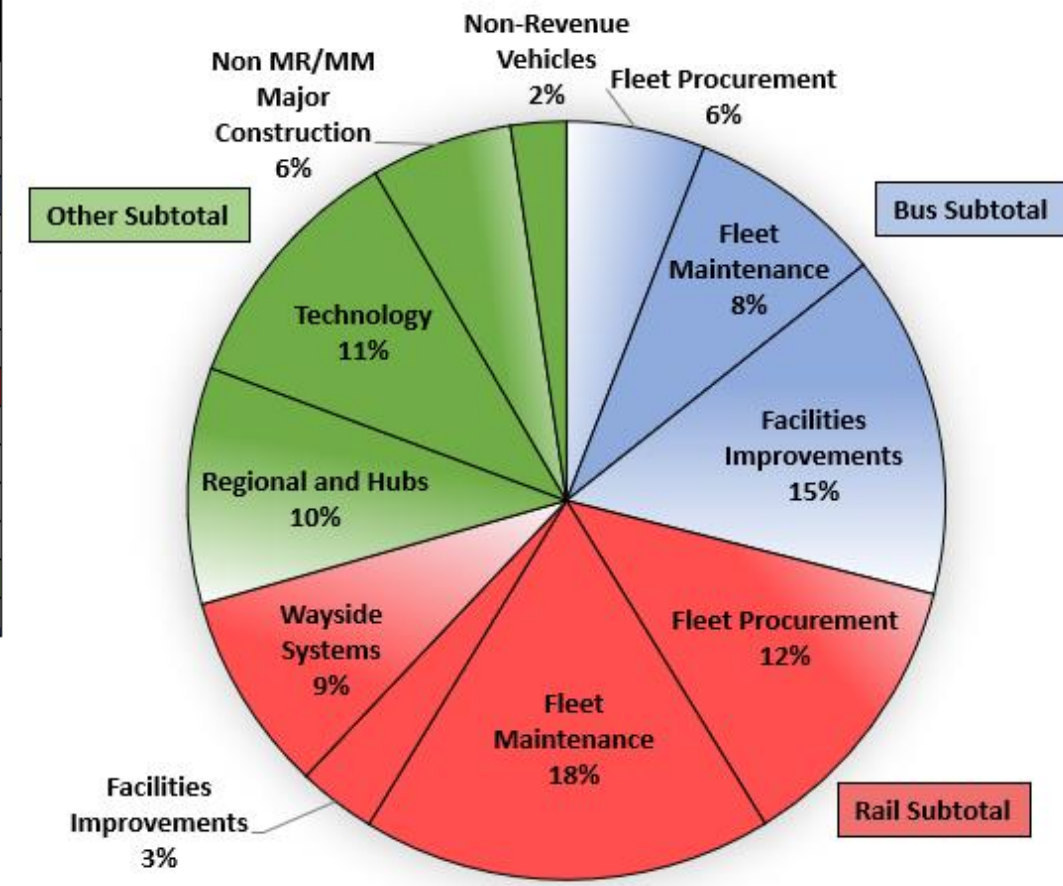
Note: Totals may not add up because of rounding.



- Metro Transit Operation & Maintenance Preliminary Budget: **\$2.89B**, increase of \$157.6M (5.8%) over FY25
- Attract and retain ridership by delivering best in class transit services with **8.9M RSH** on bus, rail, and Metro Micro service.
 - **Bus:** Maintain existing NextGen Bus Plan service levels, continuing to expand NextGen speed and reliability initiatives
 - **Rail:** A Line to Pomona & D Line Section 1 extensions and improved service frequencies
 - **Enhanced customer experience**
 - ❑ Station improvement strategies (Public Restroom, Station Lighting, Elevators Modernizations).
 - ❑ Cleaning Initiatives: Cleaning of Buses, End of Line Rail Cars, Transit Centers, Rail Stations and other Facilities (13.1% increase over FY25)
 - ❑ Continued investment in multi-layered public safety resource deployment and in safety infrastructure projects (6.7% increase over FY25)
 - **New Metro Micro Pilot Business Model:** New service operations and software services contracts, enhancing control and financial sustainability while maintaining the same geographical coverage.



Capital Category (\$ in millions)	FY25 Budget	FY26 Preliminary	\$ Change	% Change	% of Total
1 Fleet Procurement	\$ 47.5	\$ 36.0	\$ (11.5)	-24.2%	5.9%
2 Fleet Maintenance	49.1	51.2	2.1	4.3%	8.4%
3 Facilities Improvements	48.8	89.1	40.4	82.8%	14.6%
4 Bus Subtotal	\$ 145.4	\$ 176.4	\$ 31.0	21.3%	29.0%
5 Fleet Procurement	58.5	74.6	16.1	27.6%	12.3%
6 Fleet Maintenance	94.2	106.6	12.4	13.2%	17.5%
7 Facilities Improvements	19.0	20.3	1.3	6.7%	3.3%
8 Wayside Systems	64.1	52.0	(12.1)	-18.9%	8.5%
9 Rail Subtotal	\$ 235.7	\$ 253.4	\$ 17.7	7.5%	41.6%
10 Regional and Hubs	77.9	61.4	(16.5)	-21.2%	10.1%
11 Technology	69.8	66.4	(3.5)	-5.0%	10.9%
12 Non MR/MM Major Construction	39.6	36.8	(2.8)	-7.0%	6.1%
13 Non-Revenue Vehicles	8.9	14.4	5.5	61.8%	2.4%
14 Other Asset Improvements Subtotal	\$ 196.3	\$ 179.0	\$ (17.2)	-8.8%	29.4%
15 Total Proposed CIP Budget	\$ 577.4	\$ 608.8	\$ 31.4	5.4%	100.0%



- Metro Transit CIP Preliminary Budget: **\$608.8M**, increase of \$31.4M (5.84) over FY25
 - Maintaining the system in a state of good repair
 - Focused on maintaining, upgrading, and modernizing assets to ensure equipment and peripheral systems provide reliable and high-quality service
- Program highlights include:
 - Bus Zero Emissions Buses (ZEB): Continue procurement of buses (\$35.0M) & infrastructure (\$57.2M)
 - Rail Cars: Major investment of \$153.8M in new vehicles and refurbishment of existing vehicles
 - Safety: \$16.6M Enhancements for Fire & Life Safety, communication, and monitoring systems
 - NextGen: \$43.4M for Bus Mobile Validators for all door boarding, Transit Signal Priority, and Bus stops in CIP and related programs
 - Customer Experience: \$19.2M in tech enhancements to improve the customer experience



Other Programs: GPP, CM, O&A

FY
26



Expenditures by Program Type (\$ in millions)		FY25 Budget	FY26 Preliminary	\$ Change	% Change	% of Total
1	General Planning & Programs	257.9	280.0	22.1	8.6%	3.1%
2	Congestion Management	124.4	129.9	5.5	4.4%	1.4%
3	Oversight & Administration	89.4	101.7	12.4	13.8%	1.1%
4	Total	\$ 471.7	\$ 511.6	\$ 39.9	8.5%	5.7%

General Planning and Programs (GPP)

Active Transportation, Bike & Other Studies	\$99.1
Property Management	\$87.6
Financial, Grants Management and Admin	\$51.5
Unsolicited Proposals, P3, and other	\$41.8



Congestion Management (CM)

- Express Lanes \$62.1
- Freeway Service Patrol \$38.2
- Motorist Services \$15.9
- Rideshare Services \$13.6



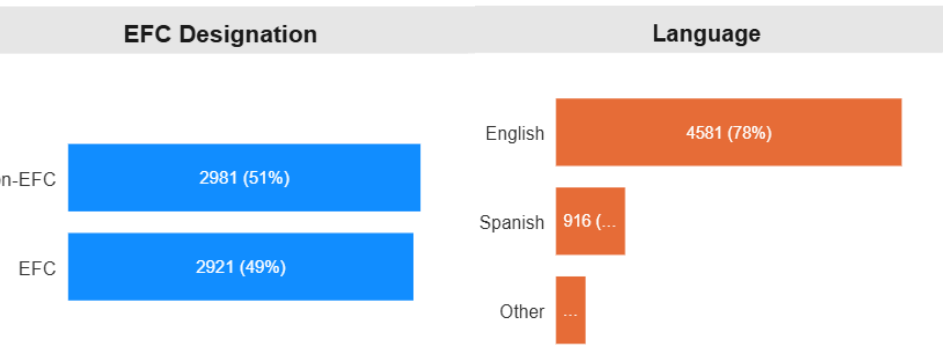
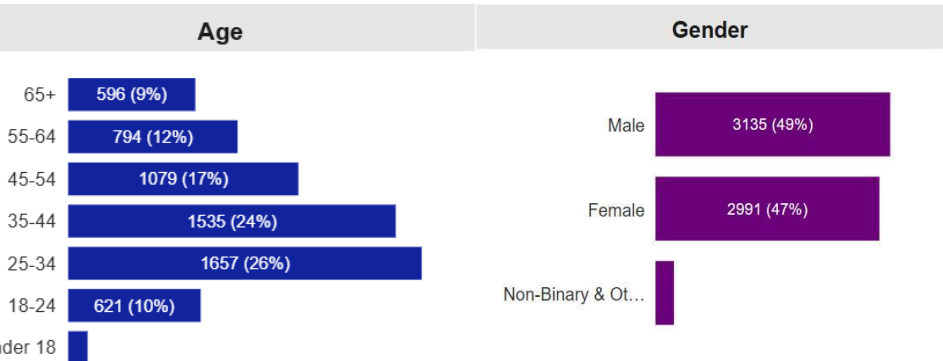
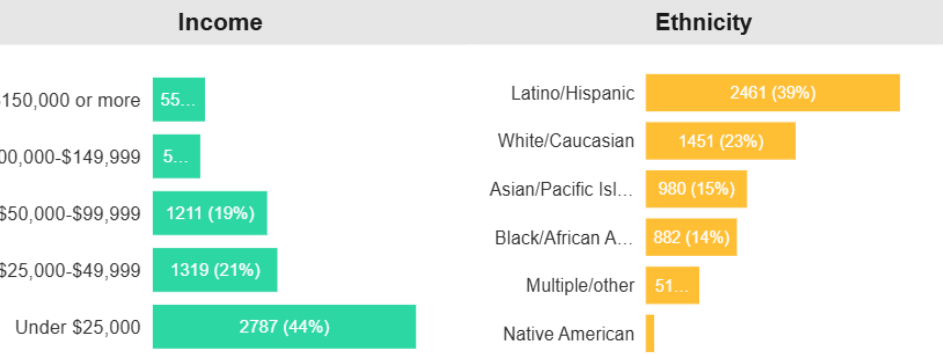
Oversight and Administration (O&A)

- Ongoing Activities \$65.2
- Valuing Workforce \$25.3
- Customer Experience \$11.2



My Metro Budget Activity

Demographic Questions – Results to Date



Female Funding Priorities

- Sustainability & ZEB
- Homeless Outreach & Ambassadors
- Metro Micro

Overall Funding Priorities

- Rail Service & Reliability
- Bus Lanes & Improvements
- System Cleanliness
- Metro Transit Security
- Homeless Outreach

EFC Funding Priorities

- Bus Service
- Bus Lanes & Improvements

6200+ Total Respondents


4,200+ Comments

Note: Results from October 31, 2024 – March 25, 2025.
Actively working to increase youth group participation.

Daily Rider: 5+ days a week
Rider: 1-4 days a week
Non-Rider: <1 day a week





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- Metro Transit – Operations & Maintenance (O&M)
Capital Improvement Program (CIP)
 - General Planning and Programs
 - Congestion Management
 - Oversight and Administration

Apr.



FY26 Proposed Budget:

- Public Hearing and Board Adoption

May