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

**Agenda - Final**

**Wednesday, December 3, 2025**

**10:00 AM**

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**Measure M Independent Taxpayer Oversight  
Committee**

*Linda Briskman - Chair*

*Ryan Campbell - Vice Chair*

*Michael Moore*

*Paul Rajmaira*

*Jesse Soto*

*Virginia Tanzmann*

## **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.

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**323.466.3876**

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### 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 December 3, 2025; you may join the call 5 minutes prior to the start of the meeting.

Dial-in: 888-978-8818 and enter  
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***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 3 de Diciembre de 2025. Puedes unirse a la llamada 5 minutos antes del comienso de la junta.

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### 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

Post Office Mail:

Board Administration

One Gateway Plaza

MS: 99-3-1

Los Angeles, CA 90012



## CALL TO ORDER

## ROLL CALL

1. **SUBJECT: REMARKS BY THE CHAIR** [2025-1014](#)

### **RECOMMENDATION**

RECEIVE remarks by the Chair.

2. **SUBJECT: MINUTES** [2025-1015](#)

### **RECOMMENDATION**

APPROVE Minutes of the Measure M Independent Taxpayer Oversight Committee Meeting held September 10, 2025.

Attachments: [Minutes - Measure M September 10, 2025](#)

3. **SUBJECT: MEASURE M SHORT TERM BORROWING PROGRAM** [2025-0635](#)

### **RECOMMENDATION**

ADOPT a resolution (Attachment A) which finds, in accordance with Section 8(h)(1)(C) of the Measure M Ordinance, that the benefits from acceleration of projects exceed the issuance and interest costs of the proposed debt financing.

Attachments: [Attachment A - Finding of Benefit Resolution](#)  
[Attachment B - LACMTA Debt Policy](#)  
[Presentation](#)

4. **SUBJECT: TRANSIT OPERATIONS AND MAINTENANCE BUDGET  
AND SERVICE METRICS** [2025-0949](#)

### **RECOMMENDATION**

RECEIVE oral report on review of the Measure M transit operations budget and countywide bus service metrics to support discussion on the effective and efficient use of funds.

Attachments: [Presentation](#)

5. **SUBJECT: LOCAL RETURN** [2025-0944](#)

### **RECOMMENDATION**

RECEIVE oral report on Local Return programmed revenues and uses for Los Angeles County jurisdictions to support discussion on the effective and efficient use of funds.

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Attachments:      [Attachment A - Motion 20 - Metro Bus Shelters Motion Presentation](#)

6.    **SUBJECT:      STATE OF GOOD REPAIR** [2025-0879](#)

**RECOMMENDATION**

RECEIVE oral report on State of Good Repair budget and expenses.

Attachments:      [Presentation](#)

7.    **SUBJECT:      ORAL REPORT ON TRANSIT AND HIGHWAY CAPITAL PROJECTS** [2025-0888](#)

**RECOMMENDATION**

RECEIVE oral report on Transit and Highway Capital Projects to support discussion on the effective and efficient use of funds.

Attachments:      [Attachment A - Transit and Highway Capital Update](#)  
                             [Attachment B - Transit Planning Update](#)  
                             [Attachment C - Complete Streets & Highways Project Update](#)

8.    **SUBJECT:      MEASURE M ACTIVE TRANSPORTATION UPDATES** [2025-0902](#)

**RECOMMENDATION**

RECEIVE oral report on Measure M Active Transportation, programmed revenues, and uses to support discussion on the effective and efficient use of funds.

Attachments:      [Presentation](#)

**SUBJECT:      GENERAL PUBLIC COMMENT** [2025-1016](#)

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**



Metro

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

## Board Report

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**File #:** 2025-1015, **File Type:** Minutes

**Agenda Number:** 2.

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### MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE DECEMBER 3, 2025

**SUBJECT: MINUTES**

**RECOMMENDATION**

APPROVE Minutes of the Measure M Independent Taxpayer Oversight Committee Meeting held September 10, 2025.



## **MINUTES**

**Wednesday, September 10, 2025**

**10:00 AM**

### **Measure M Independent Taxpayer Oversight Committee**

**DIRECTORS PRESENT:**  
Linda Briskman - Chair  
Ryan Campbell - Vice Chair  
Michael Moore  
Paul Rajmaira  
Jesse Soto  
Virginia Tanzmann

**CALLED TO ORDER: 10:00 A.M.**

## ROLL CALL

### 1. SUBJECT: REMARKS BY THE CHAIR

2025-0687

RECEIVED remarks by the Chair.

RC	MM	PR	JS	VT	LB (Chair)
P	P	P	P	P	P

### 2. SUBJECT: MINUTES

2025-0689

APPROVED Minutes of the Measure M Independent Taxpayer Oversight Committee Meeting held June 4, 2025.

RC	MM	PR	JS	VT	LB (Chair)
Y	Y	Y	Y	Y	Y

### 3. SUBJECT: CONSOLIDATED AUDIT FOR FISCAL YEARS 2026-2030

2025-0578

APPROVED:

A. the Scope of Services for the upcoming solicitation of qualified firms to provide consolidated financial and compliance audit services for fiscal years 2026-2030, which include the required audits of Measure M funds; and

B. the Evaluation Criteria for the selection of qualified firms.

RC	MM	PR	JS	VT	LB (Chair)
Y	Y	Y	Y	Y	Y

\*\*\*\*\*

RC = R. Campbell	MM = M. Moore	PR = P. Rajmaira	JS = J. Soto	VT = V. Tanzmann	LB = L. Briskman
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LEGEND: Y = YES, N = NO, C = CONFLICT, ABS = ABSTAIN, A = ABSENT, P = PRESENT

**4. SUBJECT: TRANSIT OPERATIONS AND MAINTENANCE BUDGET 2025-0621  
AND SERVICE METRICS**

RECEIVED oral report on review of the Measure M transit operations budget and countywide bus service metrics to support discussion on the effective and efficient use of funds.

Director Soto referred to slide #2 which references variances due to vacancy and delayed contract invoicing. He asked what Metro is doing to fill the vacancies and whether operations are at risk from payment delays. Staff responded that a contractor is assisting to expedite hiring and confirmed there is no risk to operations.

Director Rajmaira inquired about unlinked boardings. Staff noted this has been observed across agencies, due to ICE raids.

RC	MM	PR	JS	VT	LB (Chair)
P	P	P	P	P	P

**5. SUBJECT: LOCAL RETURN** **2025-0620**

RECEIVED oral report on Local Return programmed revenues and uses for Los Angeles County jurisdictions to support discussion on the effective and efficient use of funds.

RC	MM	PR	JS	VT	LB (Chair)
P	P	P	P	P	P

**6. SUBJECT: STATE OF GOOD REPAIR** **2025-0259**

RECEIVED oral report on State of Good Repair budget and expenses.

RC	MM	PR	JS	VT	LB (Chair)
P	P	P	P	P	P

**7. SUBJECT: ORAL REPORT ON TRANSIT AND HIGHWAY CAPITAL PROJECTS** **2025-0550**

RECEIVED oral report on Transit and Highway Capital Projects to support discussion on the effective and efficient use of funds.

(continued on next page)

(Item 7 - continued from previous page)

Director Rajmaira asked for additional insight on the SR71 claims. Staff noted that Caltrans has been working with the contractor to resolve issues dating back to COVID, with additional context provided regarding contractor turnover and unresolved matters.

There was a discussion between Chair Briskman and staff regarding project funding and delivery. For the SR71 project, staff clarified that \$10M was reallocated from another phase of this project to complete the design phase. Regarding the Purple Line Extension, staff emphasized the Agency's priority for completion ahead of the 2028 Games, noting that lessons learned are being applied from other projects. From a budgetary standpoint, staff explained that they are working with contractors to mitigate and manage the life-of-project budget.

Chair Briskman further inquired whether Measure M funds are being used to repave the 405 freeway. Staff confirmed they are not, as the project is being led by Caltrans.

RC	MM	PR	JS	VT	LB (Chair)
P	P	P	P	P	P

**8. SUBJECT: MEASURE M ACTIVE TRANSPORTATION UPDATES** **2025-0611**

RECEIVED oral report on Measure M Active Transportation, programmed revenues, and uses to support discussion on the effective and efficient use of funds.

Director Rajmaira asked when the project would be completed. Staff confirmed completion is expected in October and noted that the rebid is being managed by the City of Los Angeles. Director Rajmaira also inquired about the funding gaps and requested an update prior to the rebid being issued.

RC	MM	PR	JS	VT	LB (Chair)
P	P	P	P	P	P

**ADJOURNED AT 11:04 A.M.**

Prepared by: Jennifer Avelar  
Sr. Administrative Analyst



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Collette Langston, Board Clerk



## Board Report

File #: 2025-0635, File Type: Program

Agenda Number: 3.

### MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE DECEMBER 3, 2025

**SUBJECT: MEASURE M SHORT TERM BORROWING PROGRAM**

**ACTION: APPROVE RECOMMENDATION**

#### **RECOMMENDATION**

ADOPT a resolution (Attachment A) which finds, in accordance with Section 8(h)(1)(C) of the Measure M Ordinance, that the benefits from acceleration of projects exceed the issuance and interest costs of the proposed debt financing.

#### **ISSUE**

The Measure M Ordinance requires the Measure M Independent Taxpayers Oversight Committee of LACMTA ("Measure M Oversight Committee") "review all proposed debt financings and make a finding as to whether the benefits of the proposed financing for accelerating project delivery, avoiding future cost escalation, and related factors exceed the issuance and interest costs".

#### **BACKGROUND**

Metro is focused on ensuring delivery of the transit capital and highway projects set forth in the Measure M Expenditure Plan. Large capital project costs and timing are subject to change and difficult to predict. The establishment of the Measure M short-term borrowing program will provide interim taxable or tax-exempt financing until grant reimbursement or other funding sources, including proceeds from Measure M revenue bonds or TIFIA loans, are received.

The Long Range Transportation Plan assumes the use of short-term borrowing as well as long-term bonds to deliver Measure M capital projects. Short-term borrowing tools, such as Commercial Paper ("CP") and revolving credit facilities, have been utilized successfully across Metro's short-term borrowing programs for Prop A, Prop C and Measure R, and offer flexible, low-cost financing alternatives that support prudent and effective debt program management.

CP is a short-term debt instrument that can be issued for maturities from 1 to 270 days. Amounts borrowed typically remain outstanding longer than the maturity of the notes themselves; as notes mature, new notes are simultaneously issued, i.e., rolled over. CP requires a letter of credit from a bank to guarantee liquidity to investors when their notes mature. As a result of the letter of credit bank's guaranty of payment, the CP enjoys the favorable short-term credit ratings of the letter of



credit bank.

A revolving credit facility is an alternative to CP that has similar benefits. A revolving credit facility is a direct loan from a bank, at a rate that will float based on an index plus a spread, which is generally reset every month. In addition, a fee is charged for the unutilized amount of the facility. As a floating-rate borrowing that may be drawn over time, it is similar to a CP program for practical purposes, but because the borrowing occurs directly from a bank, no ratings or broker-dealer fees are required.

## **DISCUSSION**

### **Findings**

The Measure M Ordinance anticipated, and in Section 12 authorized, the use of debt (bonds, notes, or other obligations) to finance projects in the Measure M expenditure plan. In addition, LACMTA's Board approved Debt Policy (Attachment B) provides guidelines for the issuance and management of debt. New debt issues are permitted for financing capital projects and certain capital equipment where financing over time, with interest, allows us to meet certain public policy goals such as accelerating the completion of projects or improvements.

### **Considerations**

The proposed \$500 million short-term borrowing program will provide Metro with the financing mechanism to meet these public policy goals while offering low-cost financing strategies that bridge the gap between future revenues and near-term expenditures of Measure M capital projects.

Without a short-term borrowing program in place, many of the Measure M capital projects may be delayed until either funds are accumulated to deliver projects on a "pay go" basis, or when grant or bond proceeds from a fixed-rate bond financing become available. Project delays often lead to escalating project costs including labor overruns and material price hikes, potential renegotiations with subcontractors, all of which have an impact on budget forecasts and overall project success.

Further, Metro is not obligated to borrow the full amount of the program and will maintain flexibility to draw down funds only as needed. This allows Metro to borrow more efficiently since borrowing a large amount upfront without a defined project scope, costs and budget will likely require Metro to borrow more than current project requirements and make larger interest payment on unspent proceeds. Responses for request for proposals for short-term borrowing facilities under Measure M is tentatively scheduled to be received by several banks in November.

## **DETERMINATION OF SAFETY IMPACT**

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

## **FINANCIAL IMPACT**

Funding for the Measure M programs are included in the FY2026 budget in Cost Center #0521, Treasury Non-Departmental, under project #670301, task 01. 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 Measure M are eligible for bus & rail operations and capital projects.

### EQUITY PLATFORM

Approval of this item is intended to reduce financial risk and provide funding for Metro capital projects financed by Measure M. The capital projects include highway improvements and expansion, bus operations and maintenance, transit and rail improvements and upgrades, airport connections, and bike and pedestrian connections. The financing will also help keep senior, student and disabled transit fares more affordable and reduce congestion. The resolution finds that the benefits from acceleration of projects exceed the issuance and interest costs of the proposed debt financing.

### IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports Metro Vision 2028 Strategic Plan Goal 5 as follows:

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

### ALTERNATIVES CONSIDERED

The capital projects that require immediate cash flow to continue moving forward would not have financing mechanisms in place. These capital projects will be delayed until funds can be accumulated to construct projects on a “pay go” basis. However, these projects may face increasing costs due to increases in labor costs or materials. Another alternative funding source would be issuing long-term fixed-rate tax-exempt bonds. Issuing long-term fixed-rate bonds, without a defined project scope, cost and budget will likely require Metro to borrow more than current project requirements.

### NEXT STEPS

Treasury staff will request LACMTA Board authorization for the short-term borrowing program and will then negotiate the final terms and conditions with the providers of bank letters of credit and revolving credit facilities. Once these credit agreements are in place, the treasury staff will send the necessary documents to rating agencies to obtain credit ratings for the commercial paper. Following the receipt of ratings, treasury staff will complete the commercial paper offering memorandum for investors. Upon finalization of all documentation, Measure M commercial paper notes will be issued to provide short-term financing for eligible projects.

### ATTACHMENTS

Attachment A - Finding of Benefit Resolution

Attachment B - LACMTA Debt Policy

Prepared by: Rodney Johnson, Treasurer, (213) 922-3417  
Matthew Wingert, Senior Budget Manager, (213) 922-2553

Robert Suh, Budget Manager, (213) 922-4102

Reviewed by: Michelle Navarro Interim Chief Financial Officer, (213) 922-3056

**RESOLUTION PURSUANT TO MEASURE M ORDINANCE FINDING THAT THE  
BENEFITS OF ESTABLISHING MEASURE M SHORT-TERM BORROWING  
PROGRAM EXCEED ISSUANCE AND INTEREST COSTS**

WHEREAS, the Measure M Ordinance provides for the establishment and implementation of a retail transactions and use tax and an expenditure plan that describes the Measure M transit capital projects to be constructed with the proceeds of such tax; and

WHEREAS, the accelerated construction of certain Measure M transit capital projects would avoid inflationary cost escalation; and

WHEREAS, the proposed \$500,000,000 short-term borrowing program would provide financing to meet the cash flow necessary to pay for an accelerated construction program for Measure M transit capital projects; and

NOW, THEREFORE, the Measure M Independent Taxpayers Oversight Committee of Metro finds that the economic, environmental and transit benefits of establishing a \$500,000,000 short-term borrowing program, which would accelerate project delivery and avoid inflationary cost escalation, exceed issuance and interest costs.

Adopted this \_\_\_\_<sup>th</sup> day of December, 2025.

Signed:

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Board Clerk  
Los Angeles County Metropolitan  
Transportation Authority



## Board Report

File #: 2021-0122, File Type: Policy

Agenda Number: 5.

### FINANCE, BUDGET AND AUDIT COMMITTEE APRIL 14, 2021

**SUBJECT: DEBT POLICY**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

ADOPT the Debt Policy (included as Attachment A).

#### **ISSUE**

The Debt Policy recommends that it be reviewed periodically and presented to the Board for approval of changes. State law requires California issuers submit a report of proposed debt issuance to the California Debt and Investment Advisory Commission (CDIAC) no later than 30 days prior to the sale of any debt issue. Effective 2017, California legislation requires the report of proposed debt issuance include a certification by the issuer that it has adopted a debt policy.

#### **BACKGROUND**

The Debt Policy provides guidelines for the issuance and management of debt issued by the Los Angeles County Metropolitan Transportation Authority ("LACMTA"). The policy confirms the commitment of the Board, management, staff, advisors and other decision makers to adhere to sound financial management practices, including full and timely repayment of all borrowings, achieving the lowest possible cost of capital within prudent risk parameters and encouraging the use of small business enterprises ("SBE"), service disabled veteran business enterprises ("DVBE"), local and disadvantaged business enterprises ("DBE") advisors and underwriters when appropriate and in accordance with the LACMTA procurement policy.

#### **DISCUSSION**

The purpose of the Debt Policy is to establish guidelines for the issuance and management of our debt. The proposed changes to the Debt Policy reflect changes in debt issuance and disclosure standards and practices. Other changes include edits to reflect appropriate titles and edits made to clarify language and improve readability.

#### **POLICY IMPLICATIONS**

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The Debt Policy governs the management of our overall debt program. The policy sets the guidelines to be used when considering the use of debt, as well as in the on-going management of existing obligations. Guidance is provided specifying appropriate uses, selection of acceptable debt and lease products and debt issuance limits. The processes for selection of professional services and financial products are also specified.

As of March 1, 2021, we had \$5.1 billion of bonds outstanding in 27 transactions and three short-term borrowing programs for Proposition A, Proposition C and Measure R with \$311.0 million outstanding, all subject to the Debt Policy.

### **DETERMINATION OF SAFETY IMPACT**

The adoption of the updated policy will have no safety impact.

### **FINANCIAL IMPACT**

There is no direct financial impact on the FY21 budget associated with implementing or not implementing the updates to this policy.

### **ALTERNATIVES CONSIDERED**

The California Government Code requires an issuer certify that it has adopted a Debt Policy prior to issuing debt. The Government Finance Officers Association ("GFOA") recommends the adoption of a comprehensive Debt Policy as a Debt Management Best Practice. Properly updated policies governing the management of debt is essential to sound financial and debt management while providing guidance to effectively obtain the lowest cost of capital.

The Board may elect not to approve the proposed revisions to the Debt Policy. The existing Debt Policy shall remain in effect until a revised Debt Policy is adopted.

### **NEXT STEPS**

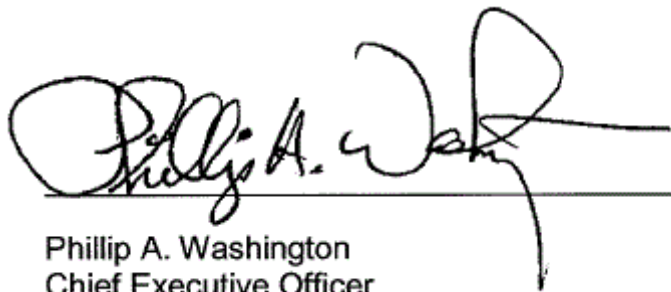
Following adoption of the Debt Policy we will make it available on the Investor Relations section of our website and distribute it to rating agencies and other interested parties as part of our investor relations outreach.

### **ATTACHMENTS**

Attachment A - Debt Policy (Redlined)

Prepared by: Rodney Johnson, Deputy Executive Officer, Finance, (213) 922-3417  
Biljana Seki, Assistant Treasurer, (213) 922-2554

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



Phillip A. Washington  
Chief Executive Officer

# DEBT POLICY

~~February 2018~~ April  
2021



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## **DEBT POLICY**

### **I. Introduction**

The purpose of the Debt Policy is to establish guidelines for the issuance and management of debt issued by the Los Angeles County Metropolitan Transportation Authority ("LACMTA"). This Debt Policy confirms the commitment of the Board, management, staff, advisors and other decision makers to adhere to sound financial management practices, including full and timely repayment of all borrowings, achieving the lowest possible cost of capital within prudent risk parameters and encouraging the use of small business enterprises ("SBE"), service disabled veteran business enterprises ("DVBE"), local and disadvantaged business enterprises ("DBE") advisors and underwriters when appropriate and in accordance with the LACMTA procurement policy. The Debt Policy goals are as follows:

1. Achieve the lowest cost of capital
2. Maintain a prudent level of financial risk
3. Preserve future financial flexibility
4. Maintain strong credit ratings and good investor relations
5. Ensure that SBE, DVBE, local and DBE investment banking and financial firms will be considered for, and utilized in, lead and senior manager roles in accordance with the LACMTA procurement policy.

### **II. Scope and Authority**

This Debt Policy shall govern, except as otherwise covered by the Investment Policy, Gas Hedging Guidelines, Defeased Lease Policy or Interest Rate Swap Policy, the issuance and management of bonds and other forms of indebtedness of LACMTA, together with any credit, liquidity or other security instruments and agreements that may be executed in connection with the issuance of bonds and other forms of indebtedness (collectively referred to as "Bonds" or "Debt").

While adherence to this Debt Policy is generally required, it is recognized that changes in the capital markets, our programs and other unforeseen circumstances may from time to time produce situations that are not covered by the Debt Policy and will require modifications or exceptions to best achieve policy goals. In these cases, management flexibility is appropriate, provided specific authorization from the Board is obtained or is authorized in this policy. The Chief Executive Officer, the Chief Financial Officer, the Treasurer, a Deputy Executive Officer, Finance and an Assistant Treasurer, each, an "Authorized Signatory," are each individually authorized to take all reasonable actions necessary to issue the debt and administer the debt on an ongoing basis. The administration is herein defined as "Administrative Actions." Administrative Actions may be taken when in the reasonable judgment of an Authorized

Signatory such action will be beneficial and consistent with the original objectives for entering into the transaction. Administrative Actions include both day-to-day administrative activities as well as actions that need to be taken to correct problems, such as with providers of services or financial facilities, agreements, insurance policies or surety policies. Such Administrative Actions may include, but are not limited to, amendment of terms and pricing, replacement of providers, amendment or replacement of agreements and facilities and substitution using different products and providing for the issuance of commercial paper, all to achieve the original purpose of the transaction. The failure by LACMTA to comply with any provision of this Debt Policy shall not affect the validity of any Debt that is otherwise duly authorized and executed.

The Debt Policy shall be reviewed at least annually and presented to the Board for approval of any changes as needed excluding changes to position titles. If no changes are needed, the existing approved Debt Policy will remain in effect until the Board approves the recommended update to the Debt Policy. The Treasurer shall have the day-to-day responsibility and authority for structuring, implementing and managing the debt and finance program. The Debt Policy requires that the Board specifically authorize each long-term debt and lease financing. However, as detailed in the following section, the authority is ongoing regarding issuance of commercial paper and other ~~short-term~~ short-term borrowings in support of Board authorized capital projects and expenditures, and to remedy matters being addressed as Administrative Actions.

### **III. Capital Budgeting and Debt Issuance Process**

#### **A. Capital Budgeting**

##### **1. The Capital Plan**

A Capital Plan shall be developed for consideration and adoption by the Board. The Capital Plan should have a planning horizon of at least a 5-year period and shall be updated at least annually. It is our current practice to include the Capital Plan in the Annual Budget for consideration and adoption.

##### **2. Authorization for Issuance of Bonds and Leases**

Each bond issue or financial lease shall be presented to the Board for authorization. The Board's adoption of the Annual Budget does not constitute authorization for issuance of bonds or a financing lease.

##### **3. Authorization for Interim Financing Programs**

Issuance of commercial paper and similar short-term borrowings such as revolving credit facilities are authorized by the Board approval of short-term borrowing programs. The Authorized Signatories may then take all actions necessary to cause the issuance of such short-term notes or draws on similar short-term borrowing facilities, to fund, refund or reimburse expenditures related to Board approved capital

projects and expenditures, as well as to remedy matters being addressed as Administrative Actions.

## **B. Types of Debt Financing**

### **1. Use of Long-Term Debt**

#### **a) Purpose for Long-Term Debt**

Long-term debt is appropriate for financing essential capital projects and certain capital equipment where paying over time, with interest, allows us to meet certain public policy goals. Those goals may include accelerating the completion of improvements to increase mobility, taking advantage of available federal or other funding, and matching the payment for improvements with their use in recognition that future taxpayers can benefit from the capital investment. The use of long-term debt will be evaluated with pay-as-you-go capital investment and will not be used to fund non-capital operational expenditures or operating deficits.

In order to achieve strong credit ratings and the lowest cost of funding, the debt secured by Proposition A, Proposition C, Measure R or Measure M sales tax shall allow for each of the respective bond trust agreements to pledge the entire amount of the sales taxes received, except for the Local Return portion of that sales tax. Debt service attributable to the financing of a project will be charged to one or more ordinance categories in accordance with the applicable ordinance.

#### **b) Lease Financing**

Lease obligations are an appropriate means of financing capital equipment where lease financing will be more beneficial, either economically or from a policy perspective. The useful life of the capital equipment, the terms and conditions of the lease, the direct impact on debt capacity and budget flexibility will be evaluated prior to the implementation of a lease program. Capital equipment will generally be purchased on a pay-as-you-go basis where feasible. Cash flow sufficiency, capital program requirements, lease program structures and cost, and market factors will be considered in conjunction with a pay-as-you-go strategy in lieu of lease financing. All leases providing tax-exempt financing are subject to this policy, as are all leases, master leases and leasing programs having a cumulative value exceeding \$10 million. All tax-exempt leases shall be implemented and maintained by the Treasury Department.

c) *Alternative Financing Programs*

Federal loans, state loans or other conduit pool loan programs as well as federally subsidized taxable and tax- exempt bond programs may be utilized to provide funding when such loans or bonds provide an attractive funding cost or provide other features deemed desirable for the circumstances, such as deep subordination of the repayment obligation, an unusually long repayment term, or other desirable features. Staff will evaluate these programs for any new risks and costs, and account for such factors in considering their use.

2. *Use of Short-Term and Variable Rate Debt*

a) *Interim Financing*

Commercial paper, and similar short-term borrowing programs as well as short-term fixed rate bond or grant anticipation notes, which generally have maturities of less than 3 years, are cash management tools that are primarily used to provide interim funding for capital expenditures that will ultimately be funded from another source such as a grant, a long-term bond issue, or a Federal loan program. The Board has previously authorized the ongoing use of the Proposition A, Proposition C and Measure R commercial paper or similar short-term borrowing programs, respectively, respectively, to fund Board approved programs and expenditures. The Board may also authorize the ongoing use of interim financing for Measure M programs.

b) *Variable Rate Debt*

In addition to interim financing, which includes commercial paper and similar short-term borrowing programs, it may be appropriate to issue long-term variable rate debt that bears an interest rate that is reset periodically at predetermined intervals, including entering into revolving credit facilities, to diversify the debt portfolio, reduce interest costs, and improve the match of variable rate assets (such as short-term investments and reserves) to liabilities. The amount of unhedged variable rate debt will generally not exceed 20% of all outstanding debt, and the total of hedged and un-hedged variable rate debt will not exceed ~~50%~~30% of all outstanding debt. Under no circumstances will variable rate debt be issued solely—for the purpose of earning interest through arbitrage. If unhedged variable rate debt is outstanding, at least annually, it shall be determined whether it is appropriate to convert the debt to fixed interest rates.

#### **IV. Debt Affordability Policy Limits**

##### **A. LACMTA Borrowings**

The maximum amounts of revenues to be used to pay debt service are listed as percentages of the respective revenue sources. These limits in combination with the Capital Plan and multi-year planning documents ensure that we will be able to continue providing our essential operational services while planning for replacement, rehabilitation and expansion of our capital investments.

<b>Proposition A Sales Tax Revenue Debt Affordability Limits</b>		
<b>Category</b>	<b>Allowable Uses</b>	<b>Debt Policy Maximum</b>
Prop A Rail 35%	<i>Rail Operations &amp; Capital.</i>	87% of Prop A Rail 35%.
Discretionary 40%	<i>Any transit purpose.</i> Current state law directs these funds to bus subsidies and incentives.	No further issuance.
Local Return 25%	<i>Any transit purpose.</i> Distributed to localities based on population.	N/A

<b>Proposition C Sales Tax Revenue Debt Affordability Limits</b>		
<b>Category</b>	<b>Allowable Uses</b>	<b>Debt Policy Maximum</b>
Discretionary 40%	<i>Bus &amp; Rail, Capital &amp; Operating.</i>	40% of Discretionary 40%.
Highway 25%	<i>Streets, Highways and Fixed Guideway Projects on Railroad Right-of-Way.</i>	60% of Highway 25%.
Commuter Rail 10%	<i>Commuter Rail and Park and Ride. Operations or capital.</i>	40% of Commuter Rail 10%.
Security 5%	<i>Transit Security. Operations or capital.</i>	No debt issuance.
Local Return 20%	<i>Any transit purpose and certain roadways heavily used by transit.</i> Distributed to localities based on population.	N/A

<b>Measure R Sales Tax Revenue Debt Affordability Limits</b>		
<b>Category</b>	<b>Allowable Uses</b>	<b>Debt Policy Maximum</b>
Transit Capital 35% – New Rail and/or Bus Rapid Transit	<i>New Rail and/or Bus Rapid Transit.</i>	87% of Transit Capital 35% – New Rail and/or Bus Rapid Transit.
Transit Capital 3% – Metrolink Capital Improvement Projects Within LA County	<i>Operations, Maintenance and Expansion for system improvements, rail yards and rail cars.</i>	87% of Transit Capital 3% – Metrolink Capital Improvements within LA County.
Transit Capital 2% – Metro Rail Capital	<i>System improvements, rail yards and rail cars.</i>	87% of Transit Capital 2% – Metro Rail Capital.
Highway Capital 20%	<i>Carpool lanes, highways, goods movement, grade separations and soundwalls.</i>	60% of Highway Capital 20%.
Operations 5% – Rail Operations	<i>Rail operations for new transit project operations and maintenance.</i>	No debt issuance.
Operations 20% – Bus Operations	<i>Bus operations for countywide bus service and maintenance.</i>	No debt issuance.
Local Return 15%	<i>Major street resurfacing, rehabilitation and reconstruction; pothole repair; left turn signals; bikeways, pedestrian improvements; streetscapes; signal synchronization; and transit. Distributed to localities based on population.</i>	N/A

<b>Measure M Sales Tax Revenue Debt Affordability Limits</b>		
<b>Category</b>	<b>Allowable Uses</b>	<b>Debt Policy Maximum</b>
Transit, First/Last Mile (Capital) 35% - Transit Construction	<i>Includes system connectivity projects-Airports, Union Station, and Countywide BRT.</i>	87% of Transit First/Last Mile (Capital) 35% – Transit Construction.
Transit Operating & Maintenance 20% – Transit Operations	<i>Operations for transit service, maintenance, and expansion.</i>	No debt issuance.



<b>Measure M Sales Tax Revenue Debt Affordability Limits</b> (continued from previous page)		
<b>Category</b>	<b>Allowable Uses</b>	<b>Debt Policy Maximum</b>
Highway, Active Transportation, Complete Streets (Capital) 17% – Highway Construction	<i>Includes System Connectivity Projects-Ports, Highway Congestion Programs, Goods Movement.</i>	87% of Highway, Active Transportation, Complete Streets (Capital) 17% – Highway Construction.
Local Return/Regional Rail 16% – Local Return	<i>Streets and roads, traffic control measures, active transportation, public transit services, public transit capital, transit oriented community investments, transportation marketing, congestion management program, transportation administration, and local funding contributions. Distributed to localities based on population.</i>	N/A
Transit Operating & Maintenance 5% – Metro Rail Operations	<i>Operating, regular and preventative maintenance for existing and new Metro Rail Lines, as well as the repair, replacement, and rehabilitation of Metro assets required for its rail transit vehicle fleet, systems and engineering, and stations.</i>	No debt issuance.
Highway, Active Transportation, Complete Streets (Capital) 2% – Metro Active	<i>Bicycle, Pedestrian, Complete Streets.</i>	87% of Highway, Active Transportation, Complete Streets (Capital) 2% – Metro Active Transportation.
Transit, First/Last Mile (Capital) 2% – Metro State of Good Repair	<i>Repair, replacement, and rehabilitation of Metro Rail assets.</i>	87% of Transit, First/Last Mile (Capital) 2% – Metro State of Good Repair. Issuance unlikely in the future.
Transit Operating & Maintenance 2% – ADA Paratransit	<i>ADA Paratransit for the Disabled; Metro Discounts for Seniors and Students.</i>	No debt issuance.
Local Return/Regional Rail 1% – Regional Rail	<i>Regional commuter rail operations and services for L.A. County.</i>	87% of Local Return /Regional Rail 1% – Regional Rail. Issuance unlikely in the future.

Other Revenue Debt Affordability Targets		
Category	Allowable Uses	Debt Policy Maximum
Fare Box Revenue	Any transit purpose.	No further issuance.
Federal Grant Revenues	In accordance with grant.	Limited issuance. <sup>(1)</sup>
State Grant Revenues	In accordance with grant.	No debt issuance.
Transportation Development Act TDA	Various transit purposes.	Limited issuance. <sup>(1)</sup>
Benefit Assessment Levies	Historically to support rail construction.	Limited issuance. <sup>(1)</sup>
Lease Revenues	Any transit purpose.	Limited issuance. <sup>(1)</sup>
Toll Revenues	Permitted expenditures within the Corridor, as so determined.	Limited issuance. <sup>(1)</sup>
Other System Revenues	Any transit purpose.	Limited issuance. <sup>(1)</sup>

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<sup>(1)</sup> Based on revenue availability and capital program needs.

## **B. Local Return Borrowings**

California law prevents LACMTA from borrowing against the Local Return funds. LACMTA provides guidance to recipients of Local Return funds for borrowing against those funds through the Local Return Borrowing Guidelines. The borrowings are generally consistent for all four sales tax measures.

## **V. Purpose of Financing**

### **A. New Money Financing**

New money issues are financings that generate additional funding to be available for expenditure on capital projects. These financings may be long-term financings, or short-term financings for interim funding pending a long-term financing or receipt of funds. These funds will be used for acquisition, construction and major rehabilitation of capital assets. New money bond proceeds may not be used to fund non-capital operational expenditures. The funding requirement by sales tax ordinance category is determined in the context of the Capital Plan and Annual Budget. The financial advisor will recommend the financing structure based on the type of financial products available and in consideration of market conditions at the time of the sale.

### **B. Refunding Bonds**

LACMTA shall continuously review its outstanding obligations for economic, ~~or cost-effective opportunities, or other "non-economic" reasons to issue refunding opportunities obligations.~~ Refunding bonds are issued to retire all or a portion of an outstanding bond issue. Most typically this is done to refinance at a lower interest rate to reduce debt service. Alternatively, some refundings are executed for a reason other than to achieve cost savings, such as to restructure the repayment schedule of the debt, to change the

type of debt instruments being used, or to retire an indenture in order to remove restrictive covenants.

In any event, a present value analysis must be prepared that identifies the economic effects of any refunding being proposed to the Board. The target savings amounts listed below are not applicable for refunding transactions that are not solely undertaken to achieve cost savings.

~~The target savings amount shall be measured using either a call option pricing model or the savings as percentage of the refunded par.~~

The traditional methodology of measuring the effectiveness of a refunding is to divide the net present value savings as a percentage of the refunded par amount. ~~Absent any significant non-economic factors, This policy incorporates the standard rule of thumb that~~ a refunding should generate, at a minimum, net present value savings of at least 3% of the refunded par amount for a current refunding, where the outstanding bonds can be prepaid within 90 days. A higher savings requirement may be appropriate for an advance refunding, where the proceeds are placed in an escrow to call bonds in the future. In addition, the efficiency of the investments in the refunding escrow should be considered in recommending an advance refunding.

~~Alternatively, the value of the call option (using an option pricing model) can be used to evaluate a refunding whose sole purpose will be to achieve cost savings. The target savings from any particular refunding candidate, by maturity, shall be no less than 80% of the calculated value of the call option, net of all transaction expenses.~~

While the Treasurer will evaluate refunding savings for each outstanding maturity, these policy minimums recognize that individual maturities, particularly short maturities, may be appropriate to refund even at lower savings thresholds, recognizing that the value of the call option "asset" will be reduced with the passage of time. The Treasurer shall have discretion in making the final determination to include individual refunding candidates that are above or below the target in order to optimize the policy and/or financial objectives.

In the event that an interest rate swap or other derivative product is to be used as part of a refunding, the target savings shall be increased to account for any additional ongoing administrative costs, financial risk beyond that of a traditional fixed rate refunding, and loss of future financial flexibility.

## **VI. Types of Products**

### **A. Current Coupon Bonds**

Current coupon bonds are bonds that pay interest periodically and principal at maturity. They may be used for both new money and refunding transactions. Bond features may be adjusted to accommodate the market

conditions at the time of sale, including changing the dollar amounts for annual principal maturities, offering discount and premium bond pricing, modifying the terms of the call provisions, and utilizing bond insurance.

**B. Zero Coupon and Capital Appreciation Bonds**

Zero coupon bonds and capital appreciation bonds have principal amortization that is much slower than level debt service resulting in increased interest expenditure over the life of the bond and, therefore, shall only be recommended in limited situations.

**C. Lease Purchase Financing**

Lease purchase financing represents a long-term financing lease that is suitable for financing capital expenditures, including the acquisition and/or construction of land, facilities, equipment and rolling stock.

**1. Equipment**

We shall have the ability to consider lease purchase transactions, including certificates of participation, long-term vendor leases, and the use of master lease programs. Financing of equipment will be limited to contracts of at least \$20,000 and a useful life that is greater than 3 years. The final maturity of equipment lease financings will be limited to the remaining useful life of the equipment.

**2. Real Property**

The final maturity of the financing shall not exceed the remaining useful life of the facility. A lease financing generally should not have a final maturity exceeding 30 years. Principal payments related to real property acquisition or construction are to be amortized so that there will be level debt service payments, although a more rapid amortization may be used to accelerate the repayment.

**D. Derivative Products**

Derivative products will be considered appropriate in the issuance or management of debt only in instances where it has been demonstrated that the derivative product will either provide a hedge that reduces risk of fluctuations in expense or revenue, or alternatively, where it is expected to reduce total financing cost. The Board approved Interest Rate Swap Policy sets forth the guidelines for interest rate swaps. For derivatives not addressed in the Interest Rate Swap Policy, an analysis of early termination costs and other conditional terms given certain financing and marketing assumptions will be completed. Such analysis will document the risks and benefits associated with the use of the particular derivative product. Derivative products will only be utilized with prior Board approval except as otherwise specified in the Interest Rate Swap Policy.

## **VII. Structural Features**

### **A. Maturity of Debt**

The final maturity of the debt shall be equal to or less than the remaining useful life of the assets being financed, and the average life of the financing shall not exceed 120% of the average life of the assets being financed. In no event shall the final maturity exceed 50 years, per the Public Utilities Code Section 130534.

### **B. Debt Service Structure**

LACMTA shall design the debt service schedule and repayment of debt to take advantage of market conditions, provide flexibility and, as practical, to recapture or maximize its debt capacity for future use. In most cases, combined principal and interest payments for any particular bond issue will be structured to have approximately level annual debt service payments over the life of the bond issue. Nevertheless, the debt service of an individual bond issue can be structured to produce level aggregate debt service for each lien.

### **C. Lien Levels**

Senior and Junior Liens for each revenue source will be utilized in a manner that will maximize the most critical constraint -- typically either cost or capacity -- thus allowing for the most beneficial use of the revenue source securing the bond.

### **D. Capitalized Interest**

Unless required by a particular financing, interest on debt will not be capitalized out of debt proceeds. This avoids unnecessarily increasing the bond size. Certain types of financings such as lease-secured financings, direct federal loans, and certain revenue bond projects may require that interest on the debt be paid from capitalized interest until we have constructive use of the project and project related revenues are expected to be available to pay debt service.

### **E. Discount and Premium Bonds**

Discount or premium bonds may reduce the interest cost of the bonds by better matching investors' desires in certain markets. We may limit the amount of discount or premium coupons to reduce the negative impact on any subsequent refunding of the bonds for interest savings.

### **F. Debt Service Reserve Fund**

The LACMTA shall allocate a portion of the bond proceeds from a debt financing to a debt service reserve fund "DSRF" if required by market conditions or the rating agencies to achieve the lowest possible financing cost. The debt service reserve fund "DSRF, DSRF" is generally cash funded with bond proceeds. The trustee maintains the DSRF throughout the life of the bonds. A cash funded DSRF is invested pursuant to investment of

proceeds guidelines within the respective indenture and interest earnings are generally used to offset debt service payments. In the final year of the bond issue, the cash available in the DSRF is usually used to make the final debt service payment. ~~Since a cash funded DSRF generates interest income, the DSRF~~

~~has the potential to be cost neutral if the interest earnings equal or exceed the interest rate of the bonds.~~

An alternative to having a cash funded DSRF is to use a DSRF surety policy obtained from a highly rated bond insurer. The surety policy requires an up-front fee payment to the insurer and results in a loss of future income to the DSRF. The Treasurer ~~with the financial advisor~~ will evaluate and document the DSRF funding decision ~~to ensure that this alternative provides a more cost effective solution to the bond issuance. Factors to be considered in this evaluation include: arbitrage yield restrictions, current interest rates, availability and cost of a surety policy, foregone interest and capital gains from a cash funded DSRF, the relative size of the reserve requirement compared to the prior reserve requirement (refunding issues only), and opportunities for the use of the funds withdrawn from the DSRF including additional capital projects or investment opportunities.~~

To the extent a DSRF is not required under the authorizing documents for a bond issue, the financial advisor will be consulted to advise whether a DSRF should be included. The analysis will consider the anticipated net cost of carry for the DSRF, loss of additional bonding capacity, and impacts on ratings and bond pricing.

#### **G. Amortization**

Debt will be amortized within each lien to achieve overall level debt service or may utilize more accelerated repayment schedules after giving consideration to bonding capacity constraints. The use of heavily back-loaded principal repayment, bullet and balloon maturities should be avoided, except to achieve wrapped debt service so as to level the aggregate outstanding debt service.

If debt is issued under an alternative structure, such as a direct federal loan, the amortization schedule may be modified in order to meet specific requirements of the financing program or utilize advantageous alternative repayment schedules.

#### **H. Financial and Risk Analysis of Issuance**

Net present value cost analysis, assessment of structural risks and complexities, and consideration of restrictions to future financing flexibility will be assessed and documented to determine the most efficient bond type and structuring features. Our long-term pooled investment rate will be used as the discount rate when comparing alternatives.

#### **I. Call Provisions**

In general, bonds issued should include a 10-year par-call feature. However, if determined to be financially advantageous, bonds may be issued that have make-whole calls, are non-callable or include a par-call for periods longer or shorter than 10 years. Prior to the use of any such call provision, the option-



adjusted yields on the bonds with and without a non-call provision will be analyzed to determine which is most beneficial.

## **J. Credit Enhancement**

### **1. Bond Insurance**

Bond insurance will be used when it provides an economic advantage to a particular bond maturity or entire issue. Bond insurance may be secured from third-party credit providers to the extent such credit enhancement is available upon competitive and ~~cost-effective~~cost-effective terms. Selection of credit enhancement providers shall be subject to a competitive bid process. Credit enhancement may be used to improve or establish a credit rating on a debt obligation even if such credit enhancement is not cost effective if the use of such credit enhancement meets the organization's debt financing goals and objectives.

### **2. Bank Facilities**

The issuance of most variable rate debt, including variable rate demand bonds and commercial paper, requires the use of some form of bank facility, to ensure that the investor can sell their bond or note back when the interest rate is reset, in the form of a letter of credit, line of credit or standby bond purchase agreement. Alternatively, banks provide for variable rate direct lending to us such as through a revolving credit facility or direct purchase agreement.

#### **a) Provider Selection**

Depending on market conditions, the financial advisor will conduct a competitive process to recommend a bank facility provider. Banks will have short-term ratings of at least P-1/A-1, or equivalent ratings, by any two nationally recognized rating agencies including Moody's Investors Service, S&P Global Ratings, Fitch Ratings and Kroll Bond Rating Agency, Inc., in order to be solicited for bank liquidity or credit enhancement, such as letters of credit or standby bond purchase agreements. Minimum short-term ratings are not required for bank facilities where the bank lends directly to us. Selection criteria for Bank Facilities will include the following:

- i. The bank's acceptance of terms and conditions acceptable to us. A term sheet will be provided along with the request for qualifications and any requested modifications will be highlighted by the bank;
- ii. A review of a representative list of clients for whom the bank has provided Bank Facilities; and
- iii. Evaluation of fees; specifically, cost of credit and/or liquidity facility, draws, bank counsel and other administrative

charges, index (e.g., SIFMA or, LIBOR, or if LIBOR shall no longer be in general use, any successor index determined by the Alternative Reference Rates Committee) and the spread to the index for direct lending, and an estimate of the trading differential for a given bank.

#### **VIII. Documentation of Transactions**

The decision processes used in each financing process will be fully documented. The Treasurer and the Deputy Executive Officer, Finance overseeing the debt program will be responsible for maintaining information regarding the selection of the financing team, decisions on product selection and structuring features, selection of vendors providing ancillary services and selection of investment securities or products. This information will be compiled into a post-pricing book "transaction file," which will be retained along with the bond closing transcript for each financing.

Additionally, copies of all material documents related to the capital expenditures financed or refinanced by bond proceeds, copies of all contracts and arrangements involving the use of bond proceeds, copies of all contracts and arrangements involving the use of bond financed or refinanced assets, and copies of all records of investments, investment agreements, arbitrage reports and underlying documents including Trustee statements in connection with any investment agreements, and copies of bidding documents shall be maintained.

The documents shall be maintained for the term of each issue of bonds plus five years in accordance with LACMTA's record keeping policies.

#### **IX. Credit Objectives**

We will actively seek to:

1. Maintain and improve the credit ratings of our outstanding bonds.
2. Adhere to benchmarks, overall debt ratios and affordability targets.
3. Have frequent communications with the credit rating agencies.

#### **X. Method of Bond Sale**

The competitive bond sale process will be utilized when it is expected to provide the lowest interest cost for the bonds. However, there are three methods of sale: competitive, negotiated and private placement. Each type of bond sale has the potential to provide the lowest cost given the right conditions. The conditions under which each type of bond sale is best used are provided below.

##### **A. Competitive Sale**

1. Bond prices are stable and/or demand is strong.
2. Market timing and interest rate sensitivity are not critical to the pricing.

3. Participation from DBE / SBE firms is best efforts only and not required for winning bid.
4. Issuer has a strong credit rating.
- ~~5.~~ Issuer is well known to investors.
- ~~6.~~
- ~~7-5.~~
- ~~8-6.~~ There are no complex explanations required during marketing regarding the issuer's projects, media coverage, political structure, political support, funding, or credit quality.
- ~~9-7.~~ The bond type and structural features are conventional.
- ~~10-8.~~ Manageable transaction size.

#### **B. Negotiated Sale**

1. Bond prices are volatile.
2. Demand is weak or supply of competing bonds is high.
3. Market timing is important, such as for marginal refundings.
4. Coordination of multiple components of the financing is required.
5. Participation from DBE / SBE firms is enhanced.
6. Issuer has lower or weakening credit rating.
7. Issuer or the particular credit is not well known to investors.
8. Sale and marketing of the bonds will require complex explanations about the issuer's projects, media coverage, political structure, political support, funding, or credit quality.
9. The bond type and/or structural features are non-standard, such as for a forward delivery bond sale, issuance of variable rate bonds, use of derivative products or there is a specific structural feature required or desired which benefits from the negotiated process.
10. Early structuring and market participation by underwriters are desired.
11. The par amount for the transaction is significantly larger and would limit competition.
12. Demand for the bonds by retail investors is expected to be high.

For a negotiated bond sale, the financial advisor will conduct a competitive process to select underwriters, either for a specific bond issue or through the establishment of a pool of underwriters to be used for bond issues over a defined time period. Selection scoring will include the local preference criteria in accordance with the LACMTA procurement policy.

#### **C. Private Placement**

Private placement is a sale that is structured specifically for one purchaser such as a bank. A direct purchase agreement or a revolving credit facility are forms of private placement. If a private placement is the preferred method of sale, depending on market conditions, the financial advisor will conduct a competitive process to recommend the purchaser of the obligations. Selection criteria will include the following:

1. A term sheet will be provided along with the request for qualifications

and any requested modifications will be highlighted by the bank. The bank's acceptance of terms and conditions acceptable to us will be a factor in selection;

~~2.~~ A review of a representative list of clients for whom the bank has provided similar agreements; and

~~2.~~  
3. Evaluation of fees; specifically, cost of the agreement including index, and spread and other administrative charges. The evaluation of fees, terms and conditions will be compared to other alternative financing methods.

In the event a private placement is utilized, Metro will provide information to the rating agencies currently rating our long term debt and will post on [the Electronic Municipal Market Access "EMMA" website of the Municipal Securities Rulemaking Board](#).

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## **XI. Internal Controls**

When issuing debt, in addition to complying with the terms of this Debt Policy, LACMTA shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, tax-exemption, post-issuance compliance, and investment of bond proceeds.

LACMTA will periodically review the requirements of and will remain in compliance with the following:

~~1.~~ Any continuing disclosure undertakings under SEC Rule 15c2-12 such as filing our annual financial statements and other financial and operating data for the benefit of our bondholders within 195 days (~~January 11~~) of the close of the fiscal year and file material event notices [on the EMMA website](#) in a timely manner,

~~1-2.~~ [Any annual report to CDIAC for any issuance of debt that LACMTA has submitted a report of final sale on or after January 1, 2017. The annual report shall comply with Government Code Section 8855 and related regulations.](#)

~~2-3.~~ Any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and

~~3-4.~~ LACMTA investment policies as they relate to the investment of bond proceeds.

Proceeds of debt will be held either (a) by a third-party trustee, which will disburse such proceeds to LACMTA upon the submission of one or more written requisitions, or (b) by LACMTA, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by LACMTA.

## **XII. Investment of Bond Proceeds**

### **A. Purchase and Sale of Investments**

Compliance shall be maintained with all applicable Federal, State, and contractual restrictions regarding the use and investment of bond proceeds. This includes compliance with restrictions on the types of investment securities allowed, restrictions on the allowable yield of some invested funds as well as restrictions on the time period over which some bond proceeds

may be invested. The Treasurer may direct the investment of bond and lease proceeds in accordance with the permitted investments for any particular bond issue or lease. Providers of structured investment products and professional services required to implement the product or agreement will be recommended based on a competitive process conducted by the financial advisor or investment advisor.

**B. Diversification**

Investment contracts shall be diversified in order to reduce risk exposure to investment providers, types of investment products and types of securities held.

**C. Disclosure**

It shall be required that all fees resulting from investment services or sale of products to us be fully disclosed to ensure that there are no conflicts of interest and investments are being purchased at a fair market price. Underwriters of the bonds, but not the financial or investment advisor, may bid on the sale of investment products for the proceeds. The financial or investment advisor shall document the bidding process and results and shall certify in writing that a competitive and fair market price was received.

**XIII. Market Relationships**

**A. Rating Agencies**

The Chief Executive Officer, the Chief Financial Officer and the Treasurer shall be primarily responsible for maintaining our relationships with Moody's Investors Service, Standard & Poor's ~~and~~ Fitch Ratings, Kroll bond Rating Agency or any other nationally recognized rating agency. In addition to general communications, the Chief Executive Officer, the Chief Financial Officer, and the Treasurer, or their appropriate designees, shall communicate with the analysts of each agency providing an underlying rating at least annually, and prior to each competitive or negotiated sale.

**B. Investor Relations**

An Investor Relations section on or linked to our website shall be maintained and updated on a regular basis with relevant financial and debt information. Timely and accurate information shall be provided in response to inquiries from investors in order to maintain positive ongoing investor relations.

**C. Board Communication**

As a means of providing feedback from rating agencies and/or investors regarding our financial strengths and weaknesses as perceived by the marketplace, information will be provided to the Board as material information develops.

#### **XIV. Initial Disclosure**

For each public offering of long-term bonds, we are generally required to prepare a preliminary official statement ("POS") and final official statement ("FOS"). Along with our legal counsel and financial advisor, we will review and discuss necessary disclosure information in drafting the official statement ("OS") and utilize appropriate disclosure procedures in order to comply with Federal Securities Law, including SEC Rule 10b-5. A draft of the POS will be provided to the Board for its review and comment prior to the posting of the POS. In connection with each bond issue, we should retain legal counsel for assistance and advice regarding our disclosure responsibilities with respect to the OS. This legal counsel may be the Bond Counsel for the issue or it may be separately engaged Disclosure Counsel. Disclosure policies and procedures will be maintained to assist in the disclosure process.

#### **XV. Consultants**

The financial advisors and bond and disclosure counsel will be selected by competitive process through a Request for Proposals ("RFP"). Our contracting policies that are in effect at the time will apply to the contracts with finance professionals. Selection may be based on a best value approach for professional services or the lowest responsive ~~cost-effective~~ ~~cost-effective~~ bid based upon pre-determined criteria, in accordance with LACMTA's procurement policy.

##### **A. Financial Advisor**

At least three financial advisors will be selected to assist in the debt issuance and debt administration processes. Additionally, the financial advisors will conduct competitive processes to recommend providers of financial services and products, including but not limited to: bond underwriters, remarketing agents, trustees, credit providers, investment advisors and managers, investment measurement services, and custody services.

Selection of the financial advisors should, at a minimum, be based on the following:

1. Experience in providing consulting services to complex issuers.
2. Knowledge and experience in structuring and analyzing complex issues.
3. Ability to conduct competitive selection processes to obtain investment products and financial services.
4. Experience and reputation of assigned personnel.
5. Independence of the advisor from the firms and industries that will be affected by the advice the advisor provides to LACMTA. The firm should be free from actual conflict of interest and free from any potential or perceived conflict of interest. For example, an advisor for a bond transaction should not be a bond underwriter or bond broker/dealer.

6. Fees and expenses.
7. Registered with the Municipal Securities Rulemaking Board and in good standing.
8. The financial advisor shall be an Independent Registered Municipal Advisor (IRMA) as defined by the Securities and Exchange Commission.

Financial advisory services provided to us shall include, but shall not be limited to the following:

1. Evaluation of risks and opportunities associated with debt issuance.
2. Monitoring of the debt portfolio and bond proceeds investments to alert us to opportunities to refund or restructure bond issues or modify investments.
3. Evaluation and recommendation regarding proposals submitted by investment banking firms.
4. Structuring and pricing bond issues, financial instruments and investments.
5. Preparation of requests for proposals and selection of providers for bond counsel, underwriters, remarketing agents, letter of credit banks, investment products, financial products and financial services (trustee and paying agent services, printing, credit facilities, remarketing agent services, investment management services, custody services etc.).
6. Provide advice, assistance and preparation for presentations with rating agencies and investors.

#### **B. Bond Counsel**

Transaction documentation for debt issues shall include a written opinion by legal counsel affirming we are authorized to issue the proposed debt, that we have met all constitutional and statutory requirements necessary for issuance, and a determination of the proposed debt's federal income tax status. A nationally recognized bond counsel firm with extensive experience in public finance and tax issues will prepare this approving opinion and other documents relating to the issuance of debt. The counsel will be selected from the pool of bond counsel firms.

#### **C. Disclosure Counsel**

When undertaking a bond sale, disclosure counsel may be retained to prepare the official statement if additional independence or expertise is needed. Disclosure counsel will be responsible for ensuring that the official statement complies with all applicable rules, regulations and guidelines. Disclosure counsel will be a nationally recognized firm with extensive experience in public finance. The disclosure counsel will typically be selected from the pool of bond counsel firms. Most frequently, the disclosure counsel function will be administered by either bond counsel or underwriter's counsel.



**D. Disclosure by Financing Team Members**

We expect that all of our financial advisory team will at all times provide us with objective advice and analysis, maintain the confidentiality of our financial plans, and be free from any conflicts of interest. All financing team members will be required to provide full and complete disclosure, under penalty of perjury, relative to any and all agreements with other financing team members and outside parties that could compromise any firm's ability to provide independent advice that is solely in our best interests or that could be perceived as a conflict of interest. The extent of disclosure may vary depending on the nature of the transaction.

**XVI. Post-Issuance Compliance Procedures**

We will establish and document procedures to ensure that LACMTA is in compliance with annual reporting requirements under California Government Code Section 8855(k) and with requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied with respect to tax-exempt bonds and other obligations after the bonds are issued so that interest on the bonds is and will remain tax-exempt. Additionally, as part of the post issuance compliance procedures, LACMTA will ensure that proceeds of the debt issuance are directed to the intended use. The Post-Issuance Compliance Procedures will be reviewed at least every three years.

###



# **Measure M Sales Tax: Short-Term Borrowing Program**

**Measure M Independent Taxpayers  
Oversight Committee Meeting  
December 3, 2025**



# Measure M Short-Term Borrowing Program

## Measure M Ordinance Authorized & Anticipated Debt Financing

### Measure M Ordinance

#### Section 8. Oversight | 1. General Responsibilities

11 C. The Committee shall review all proposed debt financing and make  
12 a finding as to whether the benefits of the proposed financing for accelerating project delivery,  
13 avoiding future cost escalation and related factors exceed issuance and interest costs.

#### Section 12. Establishment of Bonding Authority

2 a. Metro is authorized to issue limited tax bonds and incur other obligations, from  
3 time to time, payable from secured by all or any portion of the Sales Tax Revenues to  
4 finance any program or projected in the Expenditure Plan, pursuant to Sections 130500 et seq of  
5 the Public Utilities Code, and any successor act...



# Measure M Short-Term Borrowing Program

## Funding Challenges

- State and Federal grants require that Metro pay project expenses and request reimbursement of the payments.
- Without short-term liquidity, Metro may be faced with delaying or stopping projects until funds can be accumulated to construct projects on a “pay go” basis.
- Project delays can lead to escalating project costs.

## Short-Term Borrowing Program

- We are seeking a Finding of Benefit for a \$500 million short-term borrowing program to finance capital expenditures and keep Measure M projects moving forward.
- Short-term debt accelerates project delivery and avoids future cost escalation.
- Borrowing Program will use the following tools:
  1. Commercial Paper
  2. Revolving Credit Facilities

# Measure M Short-Term Borrowing Program

## Benefits of Short-Term Borrowing

- Bridges the gap between when expenditures are required and when programmed funding is received.
- No obligation to borrow the full amount of the program and has the flexibility to draw down funds only as needed.
- Mitigates potential increasing costs associated with project delays.
- More efficient borrowing since issuing a large amount in advance would require Metro to make interest payments on unspent bond proceeds.

## Potential Savings



<sup>1</sup> Assumes \$500 million in project costs.

<sup>2</sup> Financing costs are based on a 3.20% estimated commercial paper rate and fees.

<sup>3</sup> Cost delay analysis is based on assumptions that all specified project expenditures would be delayed and increased at a compounded annual rate of inflation of 3.50%.

# Recommendation & Next Steps

- Adopt a Resolution finding that the benefits of a Measure M bond financing accelerating project delivery and avoiding future cost escalation exceeds issuance and interest costs.
- Next Steps:
  - Request authorization from LACMTA Board for the short-term borrowing program.
  - Negotiate final terms and conditions with bank letter of credit and revolving credit facilities providers.
  - Send documents to rating agencies and obtain ratings for commercial paper.
  - Complete commercial paper offering memorandum to investors
  - Issue Measure M commercial paper notes.



Metro

## Board Report

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

File #: 2025-0949, File Type: Oral Report / Presentation

Agenda Number: 4.

### MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE DECEMBER 3, 2025

**SUBJECT: TRANSIT OPERATIONS AND MAINTENANCE BUDGET AND SERVICE METRICS**

**SUBJECT: RECEIVE ORAL REPORT**

#### **RECOMMENDATION**

RECEIVE oral report on review of the Measure M transit operations budget and countywide bus service metrics to support discussion on the effective and efficient use of funds.

#### **ISSUE**

To support the discussion on the effective use of Measure M fund budget and expenses, this report provides: 1) Metro's systemwide service efficiency and effectiveness metrics through fourth quarter of fiscal year 2024 (FY24) and fiscal year 2025 (FY25), 2) FY25 budget versus actual data for Metro operations and maintenance through fourth quarter, 3) Measure M transit fund allocations for Los Angeles County transit operators, expenditures and associated operating statistics through fourth quarter, and 4) the most recent National Transit Database efficiency and effectiveness data for Los Angeles County transit operators receiving Measure M funding.

#### **EQUITY PLATFORM**

Under Board-adopted Measure M Guidelines, the Measure M Transit Operations and Maintenance 20% funds allocated to transit agencies support the implementation of various transit services and improvements throughout the region. Twenty percent of Measure M Ordinance funding is allocated to Metro and the municipal transit operators on an annual basis by formula based on vehicle service miles operated and a fare unit ratio that serves as a proxy for ridership and is intended to enhance mobility for transit users and individuals with disabilities. In the fourth quarter of FY25, Metro had an increase in vehicle hours of service provided and passenger boardings. With boardings increasing the most, it demonstrates improved effectiveness, which directly benefits customers who rely on Metro for access to opportunities by providing increased service frequency.

Prepared by: Joseph Forgiarini, Senior Executive Officer, Service Development,  
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Conan Cheung, Chief Operations Officer, (213) 418-3034





# Transit Operations Budget & Service Metrics Update

Joseph Forgiarini, Senior Executive Officer, Service Development

Cosette Stark, Executive Officer, Local Programming

December 3, 2025 | Measure M Independent Taxpayers Oversight Committee





# Efficiency & Effectiveness Metrics

Q4 FY24 vs. Q4 FY25

- Boardings ↑
- VRH ↑
- Boardings per VRH ↑

- Under budget ↓
  - › Staffing vacancies
  - › Contract invoicing delays
  - › Lower fuel costs

	July 1, 2023 - June 30, 2024				July 1, 2024 - June 30, 2025			
Metro	UPT	VRH	UPT/VRH	Ops \$/VRH	UPT	VRH	UPT/VRH	Ops \$/VRH
Systemwide	300,221,763	8,102,709	37.05	\$ 293.51	313,356,435	8,162,109	38.39	N/A

Ops \$ = Operating Costs  
VRH = Vehicle Revenue Hours  
UPT = Unlinked Passenger Trips (Boardings)

3 of 4 Metrics Improved in FY25

	July 1, 2024 - June 30, 2025			
Metro Transit	Budget	Actuals	(Over)/Under Budget	Actuals %Budget
Operations & Maintenance	\$ 2,714.0	\$ 2,478.9	\$ 235.2	91.3%

Represents all Metro fund sources, including Measure M

Within Budget

# Q4 FY25 Transit Operations Allocation, Expense & Service

**FY**  
**26**



Agency	FY25 MM 20%	FY25 Actuals	Annual Budget*	% of Budget MM	Q4 VRH	Q4 UPT
Arcadia	\$ 188,014	\$ 188,014	\$ 3,124,000	6.02%	2,160	4,108
Claremont	61,068	104,200	314,828	19.40%	989	7,473
Commerce	301,416	301,416	6,822,411	4.42%	1,476	17,946
Culver City	3,212,969	3,212,968	33,749,760	9.52%	7,454	212,999
Foothill	16,750,754	16,750,754	160,801,440	10.42%	95,099	1,136,977
Gardena	3,162,084	3,162,084	29,005,314	10.90%	11,097	300,351
La Mirada	50,685	50,684	1,330,000	3.81%	251	1,287
Long Beach	14,556,334	14,556,336	129,576,159	11.23%	77,102	2,281,585
Montebello	4,890,081	4,890,080	35,370,400	13.83%	23,146	455,165
Norwalk	1,822,528	1,822,528	19,494,765	9.35%	10,069	142,604
Redondo Beach	379,614	379,616	4,448,389	8.53%	2,494	18,562
Santa Monica	12,077,934	9,776,246	92,809,275	13.01%	58,699	1,272,697
Torrance	3,627,588	3,627,588	37,030,979	9.80%	20,500	313,759
Antelope Valley	3,900,972	3,900,972	43,349,745	9.00%	17,454	151,967
Santa Clarita	2,336,279	412,220	27,054,484	8.64%	2,109	41,213
LADOT	8,676,214	8,676,216	55,660,784	15.59%	50,895	910,647
Metro Bus	172,865,983	205,300,000	9,016,400,000	1.92%	756,481	27,283,741
<b>Total</b>	<b>\$ 248,860,517</b>	<b>\$ 277,111,922</b>	<b>\$ 9,696,342,733</b>		<b>1,137,475</b>	<b>34,553,081</b>

FY25 Actuals column includes Q1-Q4 data.

\* Represents total budget to be funded by multiple funding sources, including Measure M



## Operator Motor Bus Efficiency & Effectiveness Metrics FY23 vs. FY24

Operator - Motor Bus	FY 23				FY 24				Vehicle #
	UPT	VRH	UPT/VRH	Ops \$/VRH	UPT	VRH	UPT/VRH	Ops \$/VRH	
Antelope Valley	1,106,968	158,655	7.0	\$ 151.84	1,409,391	158,402	8.9	\$ 150.51	78
Arcadia	20,649	13,469	1.5	97.65	29,785	15,080	2.0	97.35	N/A
Commerce	443,696	47,841	9.3	138.42	551,569	49,220	11.2	146.29	17
Culver City	2,664,745	123,547	21.6	191.96	2,887,456	132,020	21.9	219.99	60
Foothill	7,864,856	785,522	10.0	147.74	9,164,170	828,639	11.1	163.07	357
Gardena	1,899,928	94,529	20.1	250.89	2,170,007	89,154	24.3	270.23	46
LADOT	14,344,180	622,327	23.0	118.64	14,512,714	684,758	21.2	133.18	235
Long Beach	16,780,493	641,980	26.1	172.74	18,481,114	670,380	27.6	181.68	256
Montebello	2,611,349	167,058	15.6	175.96	2,720,889	152,359	17.9	206.36	49
Norwalk	1,022,686	83,689	12.2	179.51	1,140,644	82,796	13.8	188.44	34
Redondo Beach	267,790	34,100	7.9	139.14	250,007	33,945	7.4	134.90	14
Santa Clarita	1,925,883	104,984	18.3	144.98	1,742,562	93,263	18.7	159.28	56
Santa Monica	7,741,258	410,707	18.8	195.11	8,604,201	429,615	20.0	206.18	179
Torrance	1,813,540	99,778	18.2	253.33	2,037,725	147,481	13.8	208.42	59
Metro Bus	206,240,433	6,457,517	31.9	\$ 218.99	229,710,972	6,820,427	33.7	\$ 217.05	1,997

- Improved operating statistics in FY24 vs FY23 shown in green
- 13 of 15 improved in ridership
- 9 of 15 increased vehicle hours
- 5 improved on cost per vehicle hour including Metro

Ops \$ = Operating Costs

VRH = Vehicle Revenue Hours

UPT = Unlinked Passenger Trips (Boardings)



# Publicly Available Data



Federal Transit Administration

## FTA NTD Transit Agency Profiles

[https://www.transit.dot.gov/ntd/transit-agency-profiles?field\\_geography\\_target\\_id=2481&field\\_address\\_administrative\\_area=CA&combine=](https://www.transit.dot.gov/ntd/transit-agency-profiles?field_geography_target_id=2481&field_address_administrative_area=CA&combine=)



Metro

## Metro Ridership Data on Metro.net

<https://opa.metro.net/MetroRidership/>



## SB 125 Transit Operator Ridership Data on Metro.net –

[https://ntd-monthly-ridership--cal-itp-data-analyses.netlify.app/rtpa\\_los-angeles-county-metropolitan-transportation-authority/0\\_\\_monthly\\_ridership\\_report\\_\\_rtpa\\_los-angeles-county-metropolitan-transportation-authority](https://ntd-monthly-ridership--cal-itp-data-analyses.netlify.app/rtpa_los-angeles-county-metropolitan-transportation-authority/0__monthly_ridership_report__rtpa_los-angeles-county-metropolitan-transportation-authority)

**Board Report**

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**File #:** 2025-0944, **File Type:** Oral Report / Presentation**Agenda Number:** 5.

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**MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE  
DECEMBER 3, 2025****SUBJECT: LOCAL RETURN****ACTION: RECEIVE ORAL REPORT****RECOMMENDATION**

RECEIVE oral report on Local Return programmed revenues and uses for Los Angeles County jurisdictions to support discussion on the effective and efficient use of funds.

**ISSUE**

To support the discussion on Local Return revenue amounts programmed and usage by each Los Angeles County local jurisdiction, this report provides a quarterly update and presents the status of Local Return funding in the first quarter of fiscal year 2026 (FY26). This includes a summary of Measure M fund use within the first quarter, and updates on current points of concern with Metro's Board of Directors.

**EQUITY PLATFORM**

Local Return receives a 17% revenue share of the Measure M Ordinance funding apportioned to local jurisdictions by population. Under Board-adopted guidelines, this item enables the programming of funds to recipients to support the implementation of various transportation projects and improvements throughout the region. This includes improvements for public access, paratransit services for seniors and individuals with disabilities, and transit subsidies for students and low-income residents. Local Jurisdictions make the determination of the projects that are most beneficial for their communities. Staff will continue to support jurisdictions in meeting Local Return requirements through workshops, multiple written communications regarding deadlines and one-on-one briefings with the goal of improving program compliance. In May, Metro held a FY25 Consolidated Audit Workshop to clarify the programs' requirements with audit compliance. Staff also worked with cities that have funds due to lapse by proposing to create Capital Reserve accounts so those jurisdictions may have additional time to complete larger projects. Those Capital Reserve accounts were approved by the Metro Board in June 2025. In response to the March 2023 Metro Board Bus Shelters Motion (Motion 20), Local Return will continue to monitor and report on bus stop improvements for the region and will inform the planned Quality of Life Scorecard of the data so that they may assess how the pass-through funding supports local infrastructure.

**ATTACHMENT**

Attachment A - Motion 20 - Metro Bus Shelters Motion

Prepared by: Chelsea Meister, Manager, Transp. Planning, Local Programming,  
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Reviewed by: Michelle Navarro, Deputy Chief Financial Officer (Interim),  
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Metro

## Board Report

File #: 2023-0184, File Type: Motion / Motion Response

Agenda Number: 20.

EXECUTIVE MANAGEMENT COMMITTEE  
MARCH 16, 2023

## Motion by:

DIRECTORS HAHN, MITCHELL, NAJARIAN, DUPONT-WALKER, AND HORVATH

## Metro Bus Shelters Motion

The overwhelming majority of transit riders taking Metro depend on buses for their travel. In the final three months of 2022, Metro buses handled a weekday average of approximately 646,000 boardings every day. Metro operates more than 110 bus routes and serves over 12,000 bus stops, owned by 63 jurisdictions.

As part of Metro's "Shade for All" effort in its 2022 Customer Experience Plan, Metro estimates that only 24% of bus stops served by Metro buses and other municipal transit operators have shelters, and only 46% have seating, which exacerbates conditions for people with limited mobility and older adults. Moreover, in the summer most of Metro's bus stops are located in areas where temperatures average 97 degrees in the middle of the day, and a shade structure could lower that temperature by 25 to 40 degrees. Additionally, at night, many bus stops lack lighting that make transit riders feel safer and more visible.

Bus shelters are almost always the responsibility of the local jurisdiction in which they are located. Several cities have invested heavily in providing shelters to support transit riders, but more can be done. Each city in LA County receives a local return from LA County's Propositions A and C and Measures R and M, which helps fund things like bus shelters, benches, and other local transit needs.

Metro has committed to providing technical assistance to cities, which is a step in the right direction. However, in many cases, cities may still not recognize the need, or may face other constraints. In these circumstances, Metro can provide its data and expertise to alleviate this glaring challenge across the Metro system. Metro can also help local jurisdictions with scarce resources deliver bus stop improvements.

**SUBJECT: METRO BUS SHELTERS MOTION****RECOMMENDATION**

APPROVE Motion by Directors Hahn, Mitchell, Najarian, Dupont-Walker, and Horvath that the Board



direct the Chief Executive Officer to:

- A. Identify priority bus stops within each local jurisdiction based upon data, including but not limited to:
  - 1. Ridership per line and stop;
  - 2. Existing bus stop amenities such as seating, shelters, and lighting
  - 3. Heat island index
  - 4. EFCs
  - 5. Safety related incidents over the last three year
- B. Share all available bus stop data with each applicable jurisdiction;
- C. Inventory transportation funding sources which can be leveraged to help local jurisdictions deliver bus stop improvements, including Metro-controlled and pass-through sources as well as both formula and competitive programs;
- D. Recommend technical, financial, and other ways for Metro to support bus stop improvements by local jurisdictions, prioritizing such improvements in Equity Focus Communities;
- E. In consultation with jurisdictions, host a bus stop summit to review the state of bus shelters, including examples of best practices and a vendor showcase;
- F. As part of the annual local return audit, report on the progress of installing and maintaining bus stop amenities by jurisdiction; and
- G. Report back on the above action items in 120 days.

# Measure M Local Return

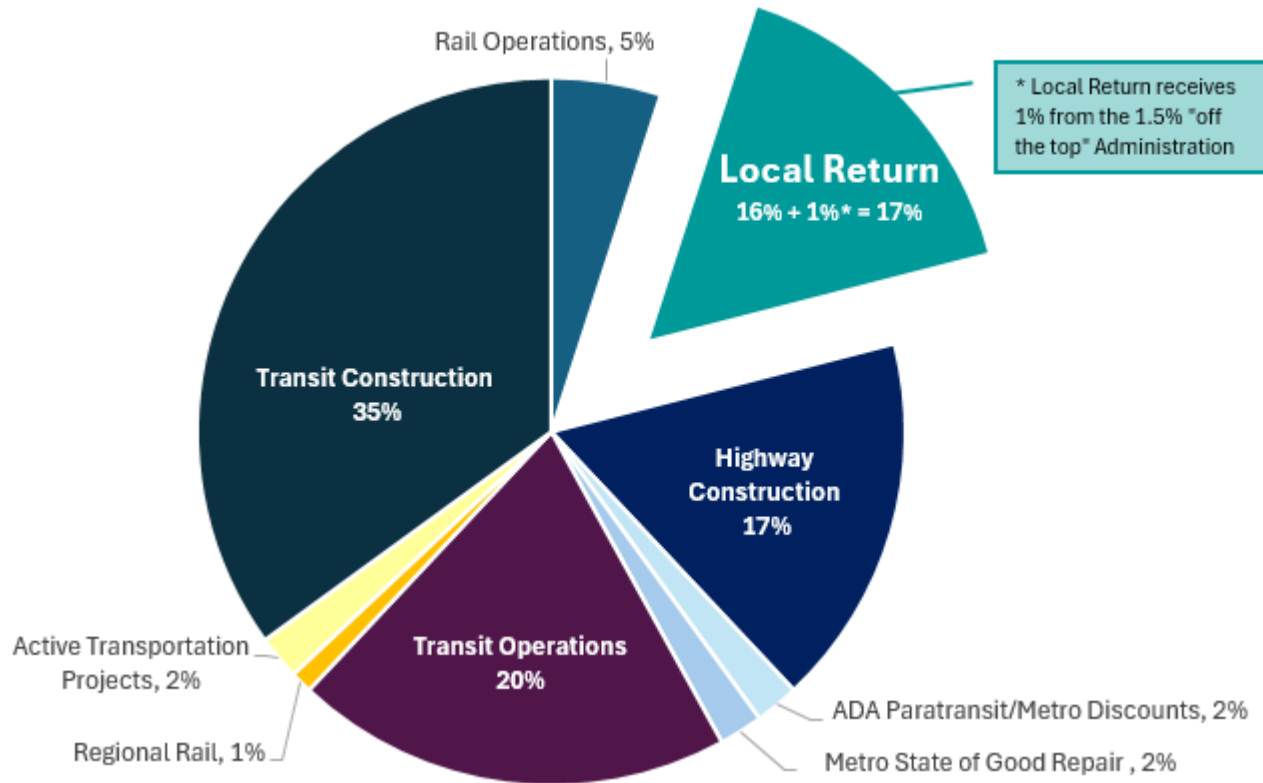


**Measure M Oversight Committee**  
**Local Programming**  
**December 2025 update**



**Metro**

# Local Return (LR) – Measure M



- **Measure M**
  - Approved 2016
  - Funding started FY18
- **LR share 17%**
  - 16% share + 1% of the 1.5% off the top
- **Requires Assurances and Understanding agreement**
- **Due Dates (same for all LR funds)**
  - August 1 – Budget
  - October 15 – Expenditures
- **Annual Compliance Audits**

# Local Return – Updates

## Measure M Updates

- Audit workshop was May 28<sup>th</sup>
- Board approved Capital Reserves accounts in June 2025
- Cities were notified of deadlines and requirements for new fiscal year (FY26)
- The FY2024-25 audit process is underway & will be complete by December 31, 2025
- Final audits will be available in January & audit summaries will be presented to the Oversight Committees

## Metro Board Bus Shelters Motion (Motion 20)

- Investigate Local Return investments in bus stops and other efforts
- To date in 2025, 3 cities are using Measure M LR funds for bus stops
- Most cities use other local return sources for bus stop improvements
- This will inform planned Quality of Life Scorecard which will assess how pass-through funding supports local infrastructure including bus stops

# FY26 Measure M Local Return Fund Usage

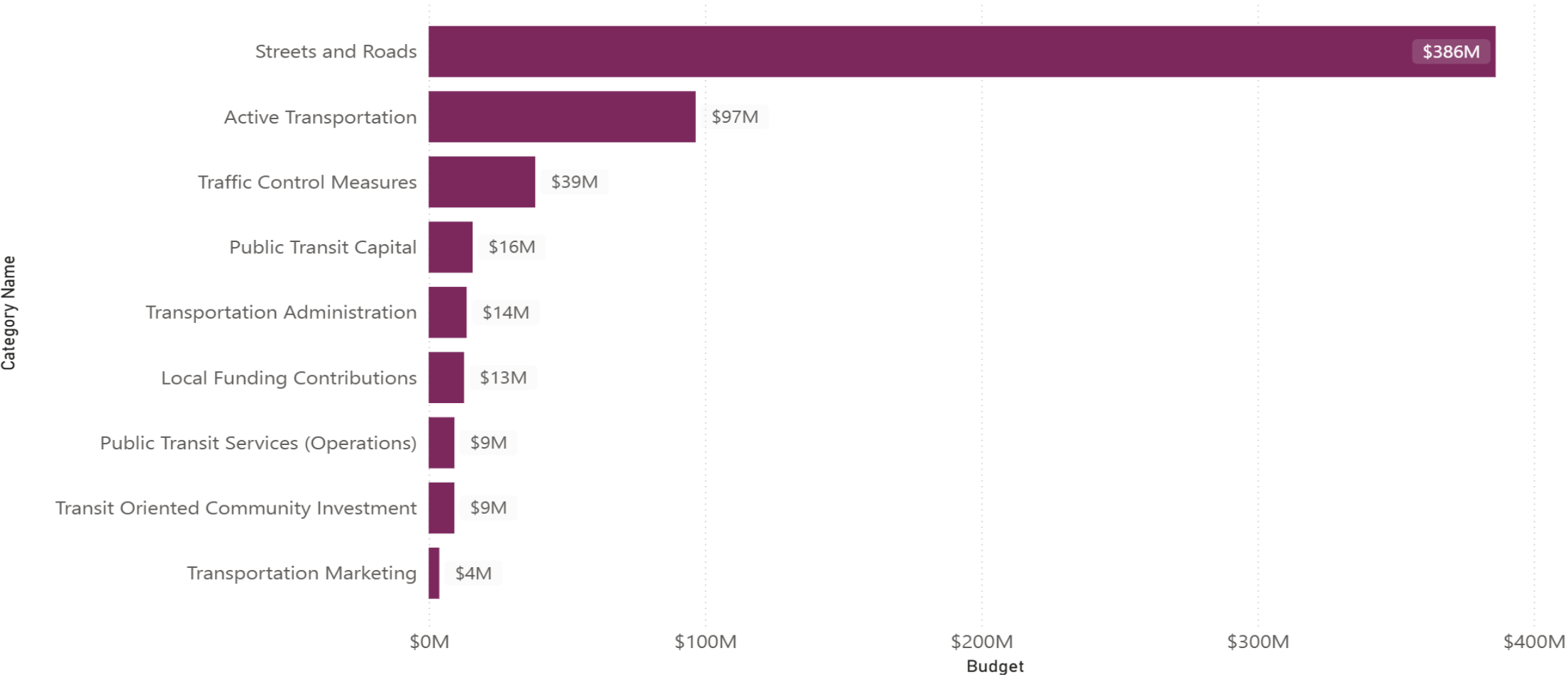
Approved Budget 2026

\$586M

Total No of Projects in 2026

760

Budget by Category Name



# THANK YOU

## Questions?

### Local Programming

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Metro

## Board Report

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

**File #:** 2025-0879, **File Type:** Oral Report / Presentation

**Agenda Number:** 6.

### MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE DECEMBER 3, 2025

**SUBJECT: STATE OF GOOD REPAIR**

**ACTION: RECEIVE ORAL REPORT**

#### **RECOMMENDATION**

RECEIVE oral report on State of Good Repair budget and expenses.

#### **ISSUE**

To support the discussion for the effective and efficient use of funds, this quarterly presentation provides the committee with Metro's status in meeting State of Good Repair (SGR) requirements per the Federal Transit Administration's Transit Asset Management (TAM) Rulemaking. This includes progress on condition assessments performed by Enterprise Transit Asset Management (ETAM) in support of the implementation of the new Enterprise Asset Management (EAM) system.

#### **EQUITY PLATFORM**

The Enterprise Transit Asset Management (ETAM) assessment contracts cover all Metro-owned stations, tunnels, bridges, facilities, and buildings that house Metro employees. The ETAM assesses all of Metro's structures and facilities to prevent major disruption of service to Los Angeles communities. Ensuring a state of good repair directly benefits riders, particularly low-income riders without access to a vehicle and others who are more reliant on public transportation for their daily needs.

**Prepared by:** Denise Longley, Executive Officer, Administration, (213) 922-7294  
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# Measure M Independent Taxpayer Oversight Committee

Enterprise Transit Asset Management  
*State of Good Repair*



# Transit Asset Management – Accomplished as of FY26 Q1

## **Continued Condition Assessments:**

- Structures Inspections Contract: 7-year contract for FY20-26 inspections: 29 of 67 inspections were completed during Q1.
- Facility Condition Assessments required per FTA TAM Rulemaking: 2 of 67 inspections were completed during Q1.
- Per the Public Transportation Agency Safety Plan (PTASP) Rulemaking requirement, the interdepartmental memo was sent to report on structures inspections and facilities assessments.

## **FTA TAM Rulemaking Compliance:**

- July 2025: Set group targets and received concurrence from group participants.
- July - August 2025: Compiled asset data, determined TAM Performance Measures.
- September 2025: Developed TAM Targets.
- September 2025: Commenced with Executive Approval of Performance Targets.
- September 2025: Received notification from FTA - NTD opened for reporting.

# Transit Asset Management – In Progress

## **New Asset Onboarding:**

- Collecting asset records on New Extensions per NTD reporting requirements.
- Foothill 2B extension to Pomona.
- Emergency and Security Operations Center (ESOC) building.
- PLE1 D Line Extension (La Brea to La Cienega).
  - New Assets for FTA Reporting: Guideway Elements (Track, Systems), Facilities (Stations, Maintenance Facilities)
  - Rolling Stock – New Rail Vehicles: HR4000 entering service
- Coordinating process for “on-boarding” of new assets with EAM Team.

## **Enterprise Asset Management System (EAMS):**

- Coordinating with Metro ITS, System Integrator contractor and Metro lines of businesses. during business process reviews (BPR) to implement TAM requirements in Phases III and IV.

## **FTA TAM Rulemaking Compliance Deadline Tasks:**

- September/October: Group TAM Plan – Coordinated finalized data from 33 sub-recipients.
- September/October: Acquired Executive approval and reported data into the NTD.
- **October 31, 2025:** TAM and Group TAM reporting due for Reporting Year 2025.

# Federal Transit Administration (FTA) Annual Reporting 10/31/2025

## Rolling Stock and Equipment: FY26 Targets

### FTA TAM Rulemaking: “§ 625.45 Setting performance targets for capital assets.

(a) General.

(1) A provider must set one or more performance targets for each applicable performance measure.

(2) A provider must set a performance target based on realistic expectations, and both the most recent data available and the financial resources from all sources that the provider reasonably expects will be available during the TAM plan horizon period.”

	FTA TAM Performance Measures / Targets						Based on FY25 Census Date (6/30/2025)				FY26 Forecast (6/30/2026)			
	Asset Class	Performance Measure based on 49 CFR Part 625	① FY25 Target (reported to FTA)	② = ⑥ / ⑤ FY25 Actual (Calc'd)	② = ① FY25 Performance Meet/Exceed	③ = ⑩ / ⑨ FY26 Target* (reported to FTA)	④ Total Asset Count	⑤ "Active" Asset Count	⑥ Meet/Exceeded ULB (NTD Method <sup>‡</sup> )	⑦ Average Age	⑧ Total Asset Estimate	⑨ "Active" Asset Estimate	⑩ Meet/Exceeded ULB (NTD Method <sup>‡</sup> )	⑪ Average Age
Rolling Stock	Articulated Bus (AB)	625.43(b): Rolling stock. The performance measure for rolling stock is the percentage of [active, dedicated] revenue vehicles [for which the agency has capital responsibility] within a particular asset class that have either met or exceeded their useful life benchmark.	35.00%	34.44%	Met	36%	277	270	93	9.4	277	272	97	10.4
	Bus (BU)		2.00%	1.85%	Met	23%	1,798	1,729	32	9.1	1,884	1,816	405	9.8
	Heavy Rail Vehicles (HR)		24.00%	24.49%	Not Met	20%	114	98	24	24.3	148	132	26	20.1
	Light Rail Vehicles (LR)		0.00%	0.00%	Met	0%	337	320	0	10.3	337	323	0	11.6
Equipment	Asset Class	Performance Measure based on 49 CFR Part 625	FY25 Target (reported to FTA)	FY25 Actual (Calc'd)	FY25 Performance Meet/Exceed	FY26 Target* (reported to FTA)		Total Asset Count	Exceeded ULB (NTD Method <sup>‡</sup> )	Average Age		Total Asset Estimate	Exceeded ULB (NTD Method <sup>‡</sup> )	Average Age
	Automobiles	625.43(a): Equipment: (non-revenue) service vehicles. The performance measure for non-revenue, support-service and maintenance vehicles equipment is the percentage of those vehicles that have either met or exceeded their useful life benchmark.	57.00%	55.85%	Met	29%		487	272	10.3		468	134	6.8
	Trucks and Other Rubber Tire Vehicles		52.00%	50.00%	Met	20%		1,010	505	11.3		1,027	205	7.2
	Steel Wheel Vehicles		20.00%	20.00%	Met	20%		10	2	12.1		10	2	13.1
* FY26 Target is the forecast performance or condition rounded up to the next whole percentage.														
‡ Uses the FTA/NTD method of calculating age: <b>Census Year - Year of Manufacture</b> for each asset.														

\* FY26 Target is the forecast performance or condition rounded up to the next whole percentage.

‡ Uses the FTA/NTD method of calculating age: **Census Year - Year of Manufacture** for each asset.

# Federal Transit Administration (FTA) Annual Reporting 10/31/2025

## Facilities and infrastructure: FY26 Targets

### FTA TAM Rulemaking: “§ 625.45 Setting performance targets for capital assets.

(a) General.

(1) A provider must set one or more performance targets for each applicable performance measure.

(2) A provider must set a performance target based on realistic expectations, and both the most recent data available and the financial resources from all sources that the provider reasonably expects will be available during the TAM plan horizon period.”

FTA TAM Performance Measures / Targets						Based on FY25 Census Date (6/30/2025)		
Asset Class	Performance Measure based on 49 CFR Part 625	① FY25 Target (reported to FTA)	② = ⑥ / ⑤ FY25 Actual (Calc'd)	② = ① FY25 Performance Meet/Exceed	③ = ⑩ / ⑨ FY26 Target* (reported to FTA)	④ Total Asset Count	⑤ "Active" Asset Count	⑥ Meet/Exceeded ULB (NTD Method <sup>‡</sup> )
Facilities	Asset Class	Performance Measure based on 49 CFR Part 625	FY25 Target (reported to FTA)	FY25 Actual (Calc'd)	FY25 Performance Meet/Exceed	FY26 Target* (reported to FTA)	Total Asset Count	Facilities Assessed
	Passenger Facilities (Stations & Parking)	625.43(d): Facilities. The performance measure for facilities is the percentage of facilities within an asset class, rated below condition 3 on the TERM scale.	0.00%	0.00%	Met	0%	290	238
	Administration & Maintenance Facilities		0.00%	0.00%	Met	0%	152	152
	Asset Class	Performance Measure based on 49 CFR Part 625	FY25 Target (reported to FTA)	FY25 Actual (Calc'd)	FY25 Performance Meet/Exceed	FY26 Target* (reported to FTA)		
Infrastructure	Heavy Rail (HR)	625.43(c): Infrastructure: rail fixed-guideway, track, signals, and systems. The performance measure for rail fixed-guideway, track, signals, and systems is the percentage of track segments with performance restrictions.	2.00%	0.00%	Met	2%		31.84 miles
	Light Rail (LR)		4.00%	2.89%	Met	4%		191.82 miles
								5.54 miles

\* FY26 Target is the forecast performance or condition rounded up to the next whole percentage.  
<sup>‡</sup> Uses the FTA/NTD method of calculating age: **Census Year - Year of Manufacture** for each asset.





Thank you!

Enterprise Transit Asset Management  
*State of Good Repair*



Metro

## Board Report

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

**File #:** 2025-0888, **File Type:** Oral Report / Presentation

**Agenda Number:** 7.

### **MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE DECEMBER 03, 2025**

**SUBJECT: ORAL REPORT ON TRANSIT AND HIGHWAY CAPITAL PROJECTS**

**ACTION: RECEIVE ORAL REPORT**

#### **RECOMMENDATION**

RECEIVE oral report on Transit and Highway Capital Projects to support discussion on the effective and efficient use of funds.

#### **ISSUE**

To support the objectives of the Measure M Independent Taxpayer Oversight Committee in monitoring the effective and efficient use of tax revenue funds, this report provides progress updates on transit and highway capital projects as identified by the Measure M Ordinance and Expenditure Plan. This quarterly presentation is prepared by Program Management with support from Program Controls for projects in the construction phase; by Operations, Shared Mobility for ExpressLanes; and by Countywide Planning and Development for highway projects and transit projects in the planning phase of development.

#### **EQUITY PLATFORM**

This report is provided on a regular basis and includes high-level summary updates on multiple projects. Equity assessments for each project were provided as a baseline summary in October 2024. An equity assessment baseline was also provided for the Link Union Station Project that was added to the Complete Streets & Highways Project Update provided last quarter.

#### **ATTACHMENTS**

Attachment A - Transit and Highways Capital Update  
Attachment B - Transit Planning Project Update  
Attachment C - Complete Streets & Highways Project Update

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# **Transit & Highway (Capital) Update**

**Measure M Oversight Committee**

December 2025



# Transit / Highway Engineering and Construction

## **Construction Projects**

- LAX/Metro Transit Center
- Gold Line Foothill Extension Phase 2B – Pomona
- Westside Purple Line – Section 3
- G Line BRT Improvements Project
- I-5 North County Enhancements
- I-105 Express Lanes

## **Alternative Delivery Projects – Phase 1**



- North Hollywood to Pasadena BRT Project
- East San Fernando Valley Transit Corridor
- Southeast Gateway Line

## **Operational Projects**



- North San Fernando Transit Corridor Project



# LAX/Metro Transit Center (AMC)

BUDGET				
	FFGA	Approved LOP*	Previous Period	Current Forecast
	N/A	\$898.58M	\$898.58M	\$898.58M
	Variance from Approved LOP:		\$0M (0%)	\$0M (0%) 
	Variance from Revised Budget:		N/A	\$0M (0%) 

\*Approved April 2021 Board

SCHEDULE			Revenue Operation	
	Original	Approved Rebaseline	Previous Period*	Actual Opening
	Oct 23, 2024	Nov 25, 2024	Jun 06, 2025	Jun 06, 2025
	Variance from Original:		+226d (20.6%)	+226d (20.6%) 
	Variance from Revised Schedule:		+193d (17.1%)	+193d (17.1%) 

\*Previous period forecast was based on April 2025 schedule



October 2025 Construction Committee

Los Angeles County Metropolitan Transportation Authority



On target



Possible problem  
(5-10% variance)



Significant Impact  
(over 10% variance)

# LAX/Metro Transit Center (AMC)

## Safety

Project Construction Hours: 1,678,527;

Recordable Injury Rate: 1.19 vs. National Average: 2.3.

## Updates

**Overall Project Progress is 99% complete.**

**Construction Contract Progress is 99% complete.**

- The Project is substantially complete and has been open to the public since June 6, 2025
- The contractor is currently addressing remaining 1,100 punch list items
- As-built drawings are under development by the contractor
- All bus chargers are energized. Ongoing coordination with Operations and the contractor is in progress to test the chargers.

## Equity

100% of the project is located within or adjacent to Equity Focus Communities.



VIP Train - Opening Day



First Revenue Train - K Line



Opening Ceremony





October 2025 Construction Committee

Los Angeles County Metropolitan Transportation Authority




# A/Gold Line Foothill Extension Phase 2B

BUDGET				
	FFGA	Approved LOP*	Previous Period	Current Forecast**
	N/A	\$1,533M	\$1,533M	\$1,533M
	Variance from Approved LOP:		\$0M (0%)	\$0M (0%) 
	Variance from Revised Budget:		N/A	\$0M (0%) 

\*At time of the award of contract Board Approval (June 2017)

\*\*Current Forecast does not include funding received from CALSTA SB125

SCHEDULE			Revenue Operation	
	Original*	Approved Rebaseline	Previous Period	Actual Opening
	January 2025	N/A	Sep 19, 2025	Sep 19, 2025
	Variance from Original:		+0d (0%)	+0d (0%) 
	Variance from Revised Schedule:		N/A	N/A

\*The Original date reflects the Authority's Substantial Completion date achieved on January 3, 2025.



October 2025 Construction Committee

Los Angeles County Metropolitan Transportation Authority



On target



Possible problem  
(5-10% variance)



Significant Impact  
(over 10% variance)

# A/Gold Line Foothill Extension Phase 2B

## Safety

Project Construction Hours: 2,539,224;

Recordable Injury Rate: 0.39 vs. National Average: 2.3.

## Updates

**Overall Project Progress is 99% complete.**

**Closeout Progress is 97% complete.**

- Foothill Gold Line Authority achieved substantial completion with the Kiewit-Parsons Joint Venture on January 3, 2025.
- The line opened for Revenue Operation on September 19, 2025.
- Safety Certification Verification Report (SCVR) submitted to CPUC on August 29, 2025, and approval received on September 16, 2025.
- Ticket Vending Machine (TVM) installation completed.
- Tall faregates installed at all stations (Glendora, San Dimas, La Verne & Pomona).

## Equity

25% of the project is located within or adjacent to Equity-Focus Communities.



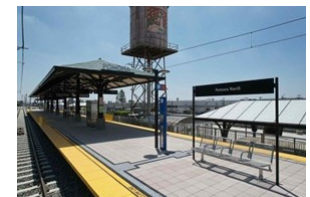
A Line Extension system map



Glendora Station platform



La Verne/Fairplex Station faregates installation near completion





Pomona North Station platform



October 2025 Construction Committee



Los Angeles County Metropolitan Transportation Authority

# Westside Purple Line Extension Section 3

BUDGET				
	FFGA	Approved LOP*	Previous Period**	Current Forecast**
	\$3,599M	\$3,224M	\$3,277M	\$3,277M
	Variance from Approved LOP:		\$53M (1.6%)	\$53M (1.6%) 
	Variance from Revised Budget:		N/A	\$0M (0%) 

\*At time of the award of contract - Board Approval February 2019

\*\*Excludes finance costs. In June 2023, the Board approved \$53M LOP increase for Concurrent Non-Full Funding Grant Agreement (Non-FFGA) activities.

SCHEDULE			Revenue Operation	
	Original	Approved Rebaseline*	Previous Period	Current Forecast
	March 2027	Fall 2027	Fall 2027	Fall 2027
	Variance from Original:		+260d (7.8%)	+260d (7.8%) 
	Variance from Revised Schedule:		+128d (3.7%)	+0d (0%) 

\*Based upon executed modification.





# Westside Purple Line Extension Section 3

## Safety

Project Construction Hours: 4,795,794;

Recordable Injury Rate: 1.58 vs. National Average: 2.3.

- C1151: Project Hours: 2,074,557; Recordable Injury Rate: 2.31
- C1152: Project Hours: 2,721,237; Recordable Injury Rate: 1.03

## Updates

**Overall Project Progress is 72% complete.**

**Construction Contract Progress is 72% complete.**

- Final design progress is 99.5% complete.
- **Westwood/UCLA Station:** Main station box concrete shell and platform level walls for main station box, and main entrance intermediate deck have been completed. Southeast entrance pile installation is 98% completed. Equipment installation and Mechanical/Electrical/Plumbing work ongoing at both UCLA and VA Hospital stations.
- **Westwood/VA Hospital Station:** Concrete shell for main station box is 60% complete. Upper exterior wall and roof concrete placement is ongoing. Exterior wall concrete placement at main entrance and foundation construction for the North Entrance Plaza (north of Wilshire Blvd.) has begun.
- **Tunnels:** Excavation and Final Lining work has been completed for all fourteen cross passages with only punch list items remaining. Secondary liner installation and first stage invert concrete completed. Walkway concrete is 92% complete.
- **VA Hospital Parking Structure:** Foundation construction is 100% complete.

## Equity

1 of 2 stations (50%) are within or adjacent to Equity Focus Communities.



Westwood/UCLA Station: Installation of Overhead Fire Sprinklers on Concourse



Westwood/VA Hospital Station: Roof Rebar Installation (Looking South)





Tunnels: Tunnel Lighting Installation Reach 7 BR Tunnel




October 2025 Construction Committee

Los Angeles County Metropolitan Transportation Authority

# G Line BRT Improvements

BUDGET				
	FFGA	Approved LOP	Previous Period	Current Forecast
	N/A	\$668.45M	\$668.45M	\$668.45M
	Variance from Approved LOP:		\$0M (0%)	\$0M (0%) 
	Variance from Revised Budget:		N/A	\$0M (0%) 

SCHEDULE			Revenue Operation	
	Original	Approved Rebaseline	Previous Period	Current Forecast
	December 2027	N/A	Fall 2027	Fall 2027
	Variance from Original:		+0d (0%)	+0d (0%) 
	Variance from Revised Schedule:		N/A	N/A





# G Line BRT Improvements

## Safety

Project Construction Hours: 176,609;

Recordable Injury Rate: 0 vs. National Average: 2.3.

## Updates

**Overall Project Progress is 24% complete.**

**Construction Contract Progress is 4% complete.**

## Design

- The design for Van Nuys grade separation and station, Sepulveda grade separation, and the civil design package for Bike Path improvements are Approved for Construction (AFC).
- 100% lighting design package for Bike Path improvements is underway.
- 60% design for Gated Intersections is under development.

## Construction

- Van Nuys bridge CIDH foundation installation completed in August 2025. Installation of abutments and bent columns are ongoing. Superstructure falsework installation anticipated for September 2025.
- Construction is ongoing for fiber ductbank, conduit installation and storm drain installation
- Pilot Gate technology construction completed in August 2025, field testing to start in September 2025 at Hayvenhurst Ave pedestrian crossing

## Utility Owner-Performed Advanced Utility Relocation (AURs)

- Sepulveda LADWP 34.5kv overhead lines were relocated in June 2025

## Property Acquisitions

- Metro has obtained possession of all required properties

## Equity

15 of 17 stations (88%) are within or adjacent to Equity Focus Communities.



Setting Column Cage at  
Van Nuys Bent 2S



Setting Reinforcing  
Steel at Van Nuys  
Abutment 5





Stripping Forms Van Nuys  
Abutment 5




October 2025 Construction Committee

Los Angeles County Metropolitan Transportation Authority

# I-5 North County Enhancements Project

BUDGET				
	FFGA	Approved LOP*	Previous Period	Current Forecast
	N/A	\$679.37M	\$679.37M	\$679.37M
	Variance from Approved LOP:		\$0M (0%)	\$0M (0%) 
	Variance from Revised Budget:		N/A	\$0M (0%) 

*\*At time of the award of contract - Board Approval (March 2021)*

SCHEDULE			Substantial Completion	
	Original	Approved Rebaseline	Previous Period	Current Forecast
	July 2026	N/A	Winter 2027	Winter 2027*
	Variance from Original:		+180d (10.0%)	+180d (10.0%) 
	Variance from Revised Schedule:		N/A	N/A

*\*The project schedule was re-sequenced to reduce overall delays. Additional optimizations are being reviewed.*



# I-5 North County Enhancements Project

## Safety

Project Construction Hours: 1,149,239;

Recordable Injury Rate: 1.57 vs. National Average: 2.3.

## Updates

**Overall Project Progress is 55% complete.**

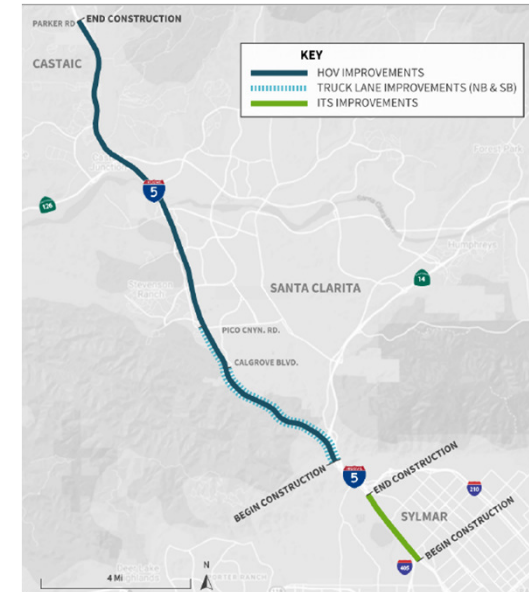
**Construction Contract Progress is 62% complete.**

**Currently Working in Stage 2 (Outside)**

- Roadway work includes drainage, electrical, grading, and paving on southbound shoulders.
- Structural work includes construction/widening of five bridges and 26 walls.
- Critical work on Soundwall 986 and lightweight cellular concrete backfill.

## Equity

This project is not located within or adjacent to Equity Focus Communities.



I-5 North County Enhancements Project Map



Embankment Fill at  
Rye Canyon



Fencing Install NB  
north of Castaic  
Creek



Gavin Canyon  
Bridge Right  
Formwork





October 2025 Construction Committee


Los Angeles County Metropolitan Transportation Authority



# I-105 Express Lanes

BUDGET				
		Approved Budget To Date	Previous Period	Current Forecast*
	Pre-Construction	\$119.39M	\$119.39M	\$119.39M
	Project	\$757.54M	\$1,400M - \$1,500M	\$1,400M - \$1,500M*
	Variance from Approved Pre-Construction Budget:		\$0M (0%)	\$0M (0%) 
	Variance from Approved LOP:		N/A	N/A
	Variance from Revised Budget:		N/A	\$0M (0%) 

\*Current Forecast is derived from the ongoing Project estimate, which is in progress following the recent construction contract mod award for Seg 1 and a more precise estimate for Seg 2 & 3 by CMGC.

SCHEDULE			Revenue Operation	
	Original	Approved Rebaseline	Previous Period*	Current Forecast*
	June 2029	N/A	Spring 2029	Spring 2029
	Variance from Original:		+0d (0%)	+0d (0%) 
	Variance from Revised Schedule:		N/A	N/A

\*Note: Above table shows Segment 2 & 3 forecasted completion date. Segment 1 is forecasted to complete by Winter 2028.



# I-105 Express Lanes

## Safety

Project Construction Hours: 86,469;

Recordable Injury Rate: 4.62 vs. National Average: 2.3.

This project is still in its early stages, and as monthly work hours continue to increase, the TRIR is expected to decrease significantly. Based on current projections, we anticipate reaching a TRIR of 2.3 or lower by the end of October 2025, aligning with national safety standards.

## Updates

**Design Progress is 91% complete.**

### Segment 1

- Construction is 29% complete.
- Construction is on-going for new sound walls, new retaining walls, bridges widening work (6 of 7) and electrical work.
- Civil and System contractors has developed a final draft median work turnover schedule to be adopted in August 2025 targeting substantial completion in December 2027.
- Cost true-up modification is in process to be completed by September 2025.
- Roadside Toll Collection System (RTCS) Design has been submitted to Caltrans for Review
- Project team continues working with Rail Operations and Maintenance for the work schedule in the freeway median adjacent to the C Line.

### Segments 2 and 3

- Roadway 95% submittal submitted in July.
- Board approved LOP Budget in October.
- Project is working with Metro's financial advisors to secure toll backed debt financing.
- ROW acquisition and appraisal process initiated.
- Seg 3 design is coordinating with the Southeast Gateway Line project.

## Equity

92% of the project is within or adjacent to Equity Focus Communities.

Segment 2/3 Regular Roundtable meetings held in September.

Draft Executive Summary of the Segment 2/3 Equity Assessment approved by the Board in October.



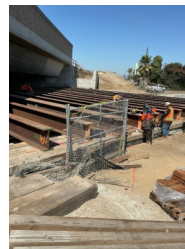
Project Map



105WB-Yukon - Contractor preparing conduit to be installed on bridge



105WB-RW270 - Installing weepholes with geo-composite drain strips with meshing on row 4



105WB-Dominguez Channel - Setting falsework beams



October 2025 Construction Committee



# Projects without Life of Project (LOP) Budget

## Engineering Projects/Preconstruction Phase

- North Hollywood to Pasadena BRT Project
- East San Fernando Valley Transit Corridor
- Southeast Gateway Line



# North Hollywood to Pasadena BRT

BUDGET				
		Approved Budget To Date	Previous Period	Current Forecast
	Pre-Construction	\$135.18M*	\$135.18M	\$135.18M
	Project	N/A	\$308M - \$515M	\$308M - \$515M
	Variance from Approved Pre-Construction Budget:		\$0M (0%)	\$0M (0%) 
	Variance from Approved LOP:		N/A	N/A
	Variance from Revised Budget:		N/A	\$0M (0%) 

\*Pre-Construction Approved Budget to Date includes Early Works Package Budget. But this is not captured in Pre-Construction progress % complete.

SCHEDULE			Revenue Operation	
	Original	Approved Rebaseline	Previous Period	Current Forecast*
	N/A	N/A	Fall 2027	Fall 2027
	Variance from Original:		N/A	N/A
	Variance from Revised Schedule:		N/A	N/A

\*Current Forecast is Metro's Internal Schedule. Phase 2 Construction Schedule is under development.





# North Hollywood to Pasadena BRT

## Safety

Project Construction Hours: 0;

Recordable Injury Rate: 0 vs. National Average: 2.3.

Safety data will be reported once the project is in construction.

## Updates

**Overall Project Progress is 29% complete.**

**Pre-Construction Progress is 81% complete.**

- CM/GC submitted 30% Opinion of Probable Construction Cost (OPCC)
- CM/GC 60% Opinion of Probable Construction Cost (OPCC) due October 2025
- 85% package for Pasadena submitted for review. Remaining 85% segment packages to be submitted by Fall 2025
- Potholing work ongoing
- Final Draft of Cooperative Agreement with Glendale pending approval from City
- Early Works Package for Pasadena construction scope under development

## Equity

60% of the project is within or adjacent to Equity Focus Communities.



Project Map



Potholing in Glendale





October 2025 Construction Committee

Los Angeles County Metropolitan Transportation Authority



# East San Fernando Valley Transit Corridor

BUDGET				
		Approved Budget To Date*, **	Previous Period**	Current Forecast**
	Pre-Construction	\$1,488M	\$1,488M	\$1,488M
	Project	N/A	\$3,513M	\$3,513M
	Variance from Approved Pre-Construction Budget:		\$0M (0%)	\$0M (0%) 
	Variance from Approved LOP:		N/A	N/A
	Variance from Revised Budget:		N/A	\$0M (0%) 

\*The Board approved an increase to the Pre-Construction Budget in February 2025.

\*\*Excludes finance costs.

SCHEDULE			Revenue Operation	
	Original	Approved Rebaseline	Previous Period	Current Forecast*
	N/A	N/A	Summer 2031	Fall 2031
	Variance from Original:		N/A	N/A
	Variance from Revised Schedule:		N/A	N/A

\*The schedule will be negotiated with Progressive Design Build contractor as part of the Phase 2.



October 2025 Construction Committee

Los Angeles County Metropolitan Transportation Authority



On target



Possible problem  
(5-10% variance)



Significant Impact  
(over 10% variance)

# East San Fernando Valley Transit Corridor

## Safety

Project Construction Hours: 180,830;

Recordable Injury Rate: 2.21 vs. National Average: 2.3.

## Updates

**Overall Project Progress is 15% complete.**

**Construction Contract Progress is 5% complete.**

## Real Estate

- Acquisitions - 23 offers issued, 14 offers accepted
- Relocations underway - 32 businesses relocated

## Design

- Final Design activities underway.
- Utility Adjustment designs are between 85% and 100% complete.
- Roadway and Station design packages are between 60% and 85% complete.
- Maintenance & Storage Facility design packages are 60% complete.

## Construction

- Installed CIDH foundation piles for the future G-Line station.
- Commenced demolition of structures at the site of the future Maintenance & Storage Facility.
- Water, power, and sewer utility relocations continue along Van Nuys Blvd.
- LADWP and SoCal Gas completing electrical intercept work and gas utility relocations, respectively.

## Light Rail Vehicle (LRV) Procurement

- LRV Manufacturing Contract RFPs were received at the end of August.

## Equity

100% of the project is within or adjacent to Equity Focus Communities.





ESFV Project Map



October 2025 Construction Committee

Los Angeles County Metropolitan Transportation Authority

# Southeast Gateway Line

BUDGET				
		Approved Budget To Date	Previous Period	Current Forecast
	Pre-Construction*	\$997.75M	\$997.75M	\$997.75M
	Project**	N/A	\$8,200M - \$9,500M	\$8,200M - \$9,500M***
	Variance from Approved Pre-Construction Budget:		\$0M (0%)	\$0M (0%) 
	Variance from Approved LOP:		N/A	N/A
	Variance from Revised Budget:		N/A	\$0M (0%) 

\*The Board approved Pre-Construction Budget on 2/27/2025.

\*\*The Board has not established LOP budget for the project.

\*\*\*The Current Forecast is based on the latest FTA Risk Assessment.

SCHEDULE			Revenue Operation	
	Original	Approved Rebaseline	Previous Period	Current Forecast*
	N/A	N/A	Fall 2035	Fall 2035
	Variance from Original:		N/A	N/A
	Variance from Revised Schedule:		N/A	N/A

\*Current schedule forecast reflects Metro's Internal Schedule.





# Southeast Gateway Line

## Safety

Project Construction Hours: 0;

Recordable Injury Rate: 0 vs. National Average: 2.3.

## Updates

### Entry to Engineering

- Metro submitted the revised Entry to Engineering rating package on May 21, 2025; awaiting approval from FTA

### Advanced Engineering

- **Advancing design for critical elements:** utilities, freight, and grade crossings for the Advanced Works (AW). AW design is progressing to 60% and AUR design progressing to 90%
- Progressing with virtual and field diagnostics in coordination with CPUC, cities, and UPRR
- Refining the 30% design for LRT elements
- Continuing coordination with key external stakeholders
- Completed the 1st draft term sheets for the Agreements with UPRR, Ports, and Caltrans

### Advanced Works Construction Contract (CM/GC)

- Incorporating CMGCs constructability review comments on the 60% AUR design packages
- Integrating CMGCs CPM Schedule for Phase 2 works with SGLs program schedule
- Completed the 30% OPC estimate review meetings

### Other work

- Additional potholing has begun on La Habra and San Pedro
- Self-Performing Utilities relocations in progress

## Equity

65% of the project is within or adjacent to Equity Focus Communities.



SGL Map



October 2025 Construction Committee



Los Angeles County Metropolitan Transportation Authority



# Operational Projects

- **North San Fernando Transit Corridor Project**



# NSFV Transit Corridor Project

BUDGET				
		Approved LOP	Previous Period	Current Forecast
		\$180M	\$180M	\$180M
	Variance from Approved LOP:	\$0M (0%)		\$0M (0%) 
	Variance from Revised Budget:			\$0 

SCHEDULE			Substantial Completion	
	Original	Approved Rebaseline	Previous Period	Current Forecast*
	Summer 2025	N/A	Winter 2027	Summer 2028
	Variance from Original:	+0d (0%)		+0d (0%) 
	Variance from Revised Schedule:			N/A 

*\*Project elements delivered incrementally. Likely, last elements to be completed are expected to be ZEB and charging*





# NSFV Transit Corridor Project

## Safety

Project Construction Hours: 0; Recordable Injury Rate: N/A vs. The National Average: 2.4.

## Updates

- **Roscoe Bl Bus Priority Lanes**
  - Installation completed by City of LA October 31, 2024.
- **All Door Boarding**
  - 2,900 BMVs installed February 2025. Testing continuing through Q1 FY26.
- **Bus Bulbs (82 locations)**
  - Contract Modification approved September 2024.
  - Design began in Q2 FY25
- **5 Key Transfer Locations**
  - Design began in Q2 FY25
  - Construction to start in Q4 FY26
- **Bus Shelters**
  - Construction and installation agreement for 393 shelters executed 10/2023
  - Installations began Q3 FY25; 51 shelters installed as at 8/31/25.
- **Transit Signal Priority (7 Corridors)**
  - Installation to begin Q1 FY26
  - Completion by Q4 FY26
- **75 Battery Electric Buses + Charging**
  - Included in ZEB procurement RFP which closed 3/20/25. Award by end of 2025.
  - Chargers in separate RFP that closed 4/14/25. Award by end of 2025.
- **Service Frequency Improvements on Lines 152 (Roscoe) and 166 (Nordhoff)**
  - Implementation of first phase June 2024. Further improvements in FY26
- **Equity**
  - 42% of the project is within or adjacent to Equity Focus Communities.



*Rendering of an improved stop on Nordhoff/Lindley*



# **Measure M Independent Taxpayer Oversight Committee**

## **Transit Planning Update**

December 3, 2025

Allison Yoh

Senior Executive Officer



# Measure M Transit Projects



## > Major Pillar Projects

- (1) Eastside Transit Corridor Phase 2
- (2) C Line Extension to Torrance
- (3) Sepulveda Transit Corridor

## > Other Projects in Planning

- Vermont Transit Corridor
- Link Union Station
- K Line Northern Extension

# Eastside Transit Corridor Phase 2

Preliminary Studies

Final EIR  
(May 2024)

EA (NEPA)

Preconstruction

Construction

Open

Phase

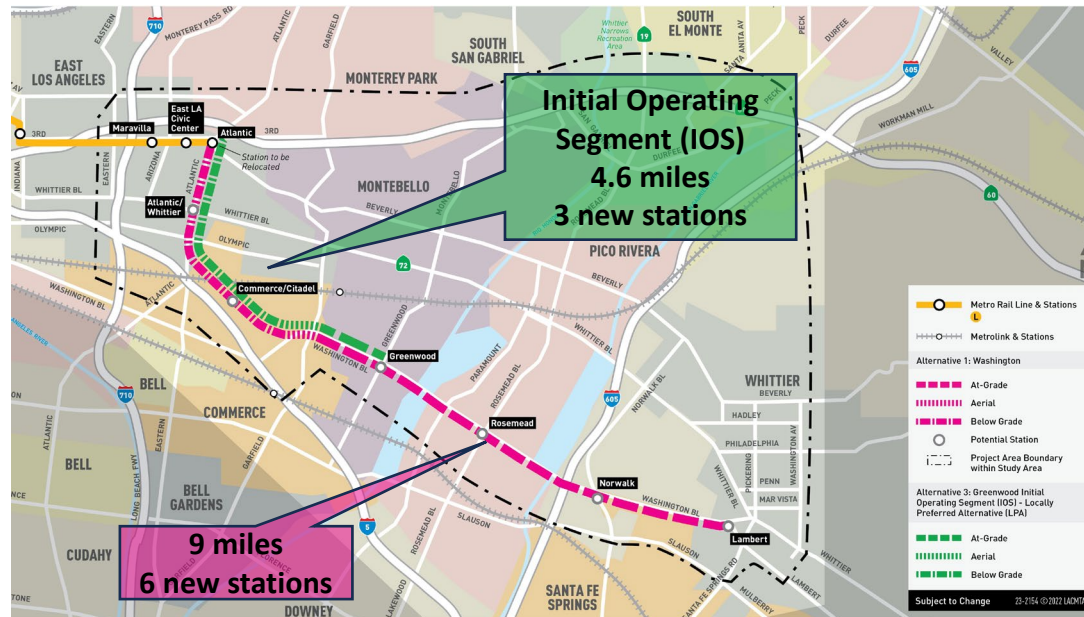
Most Recent Cost Estimate

EIR certified  
NEPA EA

IOS - \$7.9B  
(2031\$, midpoint of construction)

## Recent Activities

- August: Began geotechnical investigations along Initial Operating Segment (IOS)
- October: Board authorization of environmental planning contract modification to continue environmental study
- Preparation of Program Management Supplemental Support (PMSS) contract



## Next Actions

- First administrative draft of Environmental Assessment (EA) per National Environmental Protection Act (NEPA) for the IOS anticipated in 2025.
- Community outreach anticipated early 2026.

# C (K) Line Extension to Torrance

Preliminary Studies

Draft EIR

Final EIR

Preconstruction

Construction

Open

## Current Phase

## Most Recent Cost Estimate

Final EIR

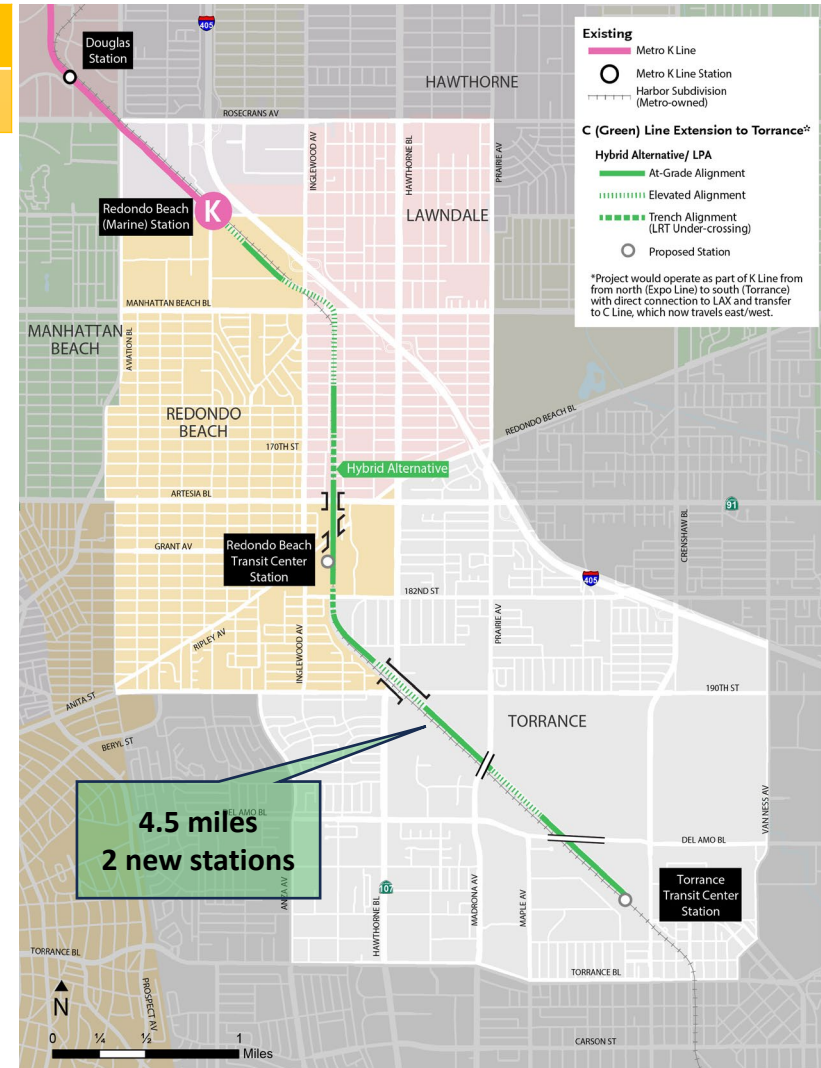
LPA - \$2.2B (2031\$, midpoint of construction)

## Recent Activities

- Public notifications for release of Final Environmental Impact Report (EIR)
- Sep 11: Released Final EIR for circulation per California Environmental Quality Act (CEQA)
- Development of Cost Benefit Analysis (CBA)
- Preparation of funding strategy

## Next Actions

- Winter 2025/2026: Anticipated recommendation to Metro Board for project next steps





# Sepulveda Transit Corridor

Preliminary Studies

Draft EIR



Final EIR

Preconstruction

Construction

Open

## Current Phase

Draft EIR

## Most Recent Cost Estimate

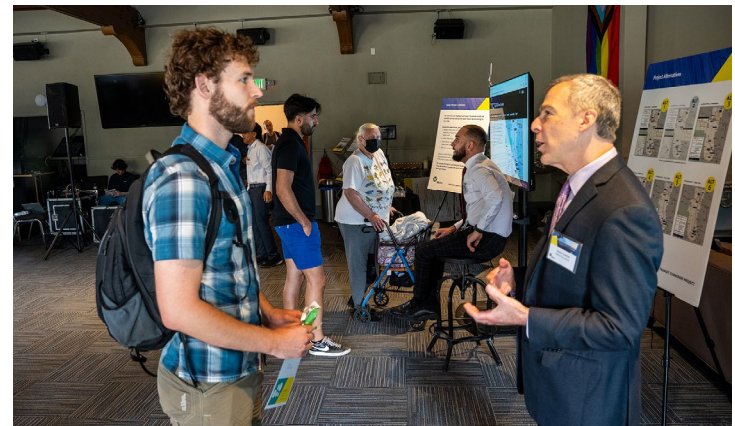
\$15.4-24.4B (2023\$)

## Recent Activities

- Held public hearings on Draft Environmental Impact Report (EIR)
- Aug 30: Closed public comment period following 90-day review

## Next Actions

- Review comments received
- Review costs, funding and phased implementation scenarios
- Develop Cost Benefit Analysis (CBA)
- Return to Board with LPA recommendation in 2026



# Vermont Transit Corridor



## Current Phase

## Most Recent Cost Estimate

CEQA Exempted / NEPA Exclusion

\$425M (2015\$)

## Recent Activities

- August: State Historic Preservation Office (SHPO) consultation materials submitted to Federal Transit Administration (FTA) for review
- August: Submitted technical memos in accordance with National Environmental Protection Act (NEPA) requirements for Categorical Exclusion class of action; under FTA review
- Small Starts submittals completed, FTA comments addressed, awaiting confirmation



## Next Actions

- Continue joint Planning and Program Management activities to complete 30% design review with City and County of LA
- Continue coordination with City and County of Los Angeles on project advancement
- Complete NEPA CE (anticipated 2025)



# Link Union Station

Preliminary Studies

EIR

Supplemental EIR  
Final EIS

Preconstruction

Construction

Open

Current Phase

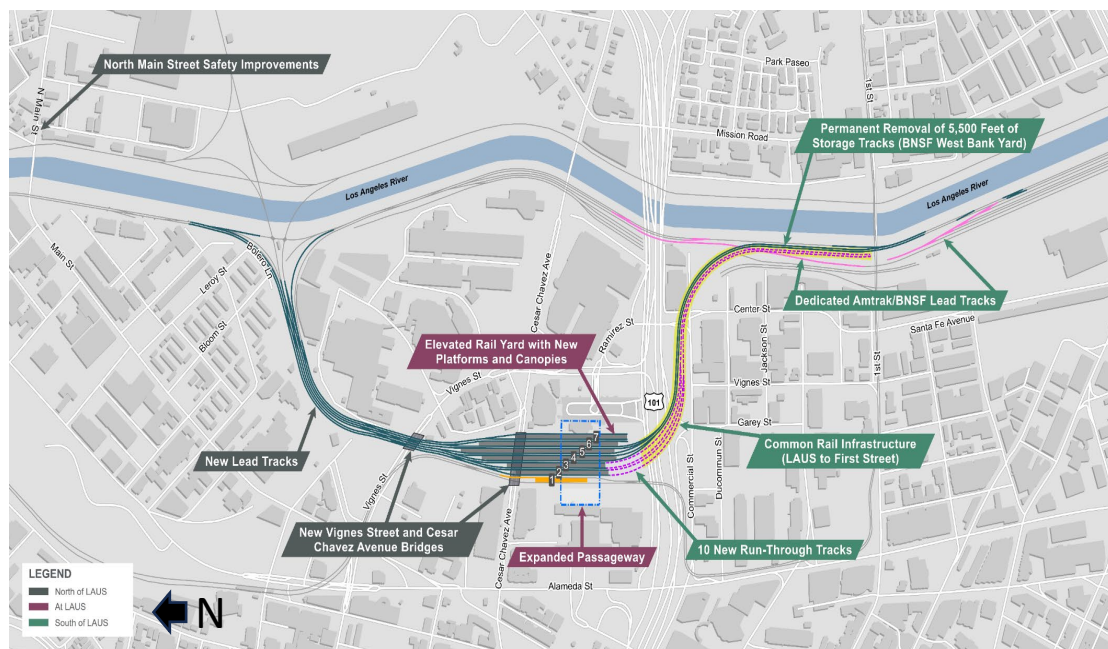
Most Recent Cost  
Estimate

Supplemental EIR  
Final EIS

\$1.6B  
(2031\$)

## Recent Activities

- Continued to work with City of Vernon and property owners on their concerns about Malabar Yard improvements
- Addressing state funding potentially at risk
- October: Board certification of the Supplemental EIR with motion to continue collaboration with City of Vernon and BNSF



## Next Actions

- California High Speed Rail Authority (CHSRA) approval of Final EIS

# K Line (Crenshaw) Northern Extension

Preliminary Studies

Draft EIR

LPA Selection

Current Phase

Most Recent Cost Estimate

Draft EIR

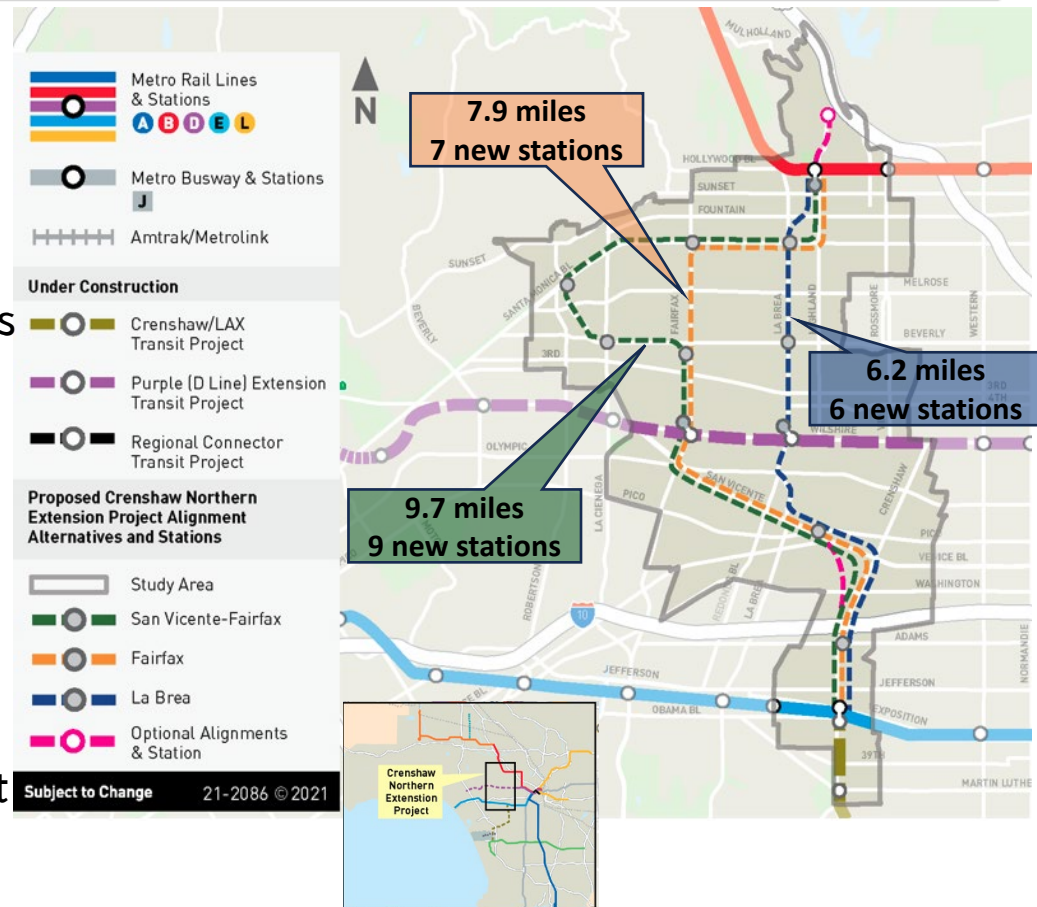
\$2.24B (2015\$)

## Recent Activities

- Conducted community meetings on Mid-City alignments & property values
  - Aug 23 (in-person)
  - Aug 26 (virtual)
- Held public meetings to present findings from Tunnel Safety Study
  - Oct 1 (virtual)
  - Oct 4 (in person, with field tour)
- Provided Board with Receive and File update on technical studies of Mid-City area and community engagement

## Next Actions

- Prepare staff recommendation to Metro Board on Locally Preferred Alternative (LPA), options to study, phasing, and/or next steps (anticipated early 2026)





# Measure M Independent Taxpayer Oversight Committee

## Complete Streets & Highways Project Updates

Michelle E. Smith

Executive Officer, Complete Streets & Highways

December 2025

# State Route 71 (SR-71) Gap Closure Project (I-10 to the San Bernardino County Line)

Current Phase	Phase Budget	Phase Spent To Date
Construction (Phase 1)	\$148.10M	\$126.27M
Design (Phase 2)	\$23.0M	\$18.00M

## Purpose and Scope

- Caltrans-managed construction project that adds one HOV\* lane and one mixed-flow lane in each direction along SR-71 between I-10 and the San Bernardino County (SBC) Line.
- Project was split into two Phases in 2019.

## Multimodal Elements

- HOV\* lanes will encourage carpool, vanpool and transit (bus) usage, replace structurally deficient and non-ADA\*\* compliant pedestrian overcrossing, and reconstruct 2 railroad overpasses to meet new standards and facilitate more goods movement.

## Status

- South Segment (Phase 1) – Project is substantially completed. Northbound lanes were opened to traffic on 10/31/2025. The southbound HOV lane is expected to be opened to traffic in the coming weeks.
- North Segment (Phase 2) – Caltrans design work is underway. Grant funds (\$80M) were secured for the construction phase, expected to start in April 2027.

\* High-occupancy vehicle (HOV)

\*\* American Disability Act (ADA)

\*\*\* California Transportation Commission (CTC)



## Phase 1 Challenges

- Complete plant establishment activities by the 13-month extension deadline (11/2026) granted by the CTC\*\*\* at the August 2025 meeting.

## Phase 2 Challenges

- Lengthy 3<sup>rd</sup> Party (utility and railroad) reviews and coordination could delay completion of the design phase and start of the construction phase.

# State Routes 57/60 Interchange Improvements

Current Phase	Phase Budget	Phase Spent To Date
Construction	\$296.4M	\$107.89M

## Purpose and Scope

- Major operational/safety improvements, including grade separation of the Grand Avenue eastbound off-ramp.
- Construction led by the San Gabriel Valley COG\* with Metro and Caltrans oversight.

## Multimodal Elements

- Project includes improvements to local bridge, sidewalk, and bicycle facilities.

## Status

- Foundation work for EB SR-60 Bypass Bridge is underway.
- Construction contract completion -39% as of August 2025. Construction completion expected in Summer 2028.

## Challenges

- Contractor is advancing two value engineering concepts (stage modifications and reduced ground settlement) to reduce the 200+ working-day delay on the project.
- Stage Modifications can mitigate the schedule by approximately one year. EOR \*\* is currently reviewing Stage 2 Phase 1 from the Contractor.
- Reduced settlement can mitigate the schedule by approximately six months.
- Value engineering measures have already reduced scheduled delays by 100+ days.



\* Council of Governments (COG)  
\*\* Engineer of Record (OER)

# I-405 South Bay Curve Improvements (I-110 to Wilmington Avenue – Auxiliary Lanes)

## Purpose and Scope

- Improve safety and operations by reducing freeway conflicts at high congestion on and off-ramp locations.
- Provide northbound and southbound auxiliary lane improvements between freeway on/off ramps within Caltrans Right-of-Way to reduce collisions (rear end, sideswipe, broadside) attributed to existing weaving/lane change conflicts.

## Multimodal Elements

- Project will include ramp termini improvements (e.g., continental crosswalks, leading pedestrian intervals, cyclist signage, etc.).

## Status

- Caltrans is reviewing and approving technical studies to support DEIR/EA\*.
- Scoping period was completed in October 2024. Additional engagement expected in 2026.
- Circulation of Draft Environmental document expected in Summer 2026.



## Challenges

- Construction phase is not fully funded.

# State Route 14 Safety & Mobility Improvements- North Los Angeles County (I-5 to Agua Dulce Canyon Road)

Current Phase	Phase Budget	Phase Spent To Date
Environmental	\$9.6M	\$4.8M

## Purpose and Scope

- Evaluate lane-gap closures where there are lane drops, Transportation System and Demand Management strategies, safety enhancements, complete streets, and wildlife connectivity improvements.
- Address traffic safety concerns (exceeds statewide average incident rates) and enhance travel reliability.
- Minimize conflicting weaving and merging by motorists and improve traffic flow.

## Multimodal Elements

- Environmental document to evaluate multimodal elements to create safer, more accessible streets connecting to SR-14 for pedestrians, bicyclists, and transit riders.

## Status

Environmental phase underway:

- Scoping meetings: Completed November 2024
- Alternative Analysis: Completed April 2025
- Draft Environmental Document – anticipated Spring 2027
- Final Environmental Document – anticipated Fall 2027



## Challenges

- Vehicle Miles Traveled (VMT) analysis and potential mitigation to be determined.
- Design and Construction phases are not currently funded.



# I-405 ExpressLanes Project -- Sepulveda Pass (Phase 1)

## (ExpressLanes from I-10 to US 101)

### Purpose and Scope

- Provide additional mobility options within the geographically constrained Project Corridor and provide resources to implement related projects and facilitate future improvements including multi-modal options, within the Project Corridor.
- Improve traffic flows, person throughput, and reliability.

### Multimodal Elements

- The environmental document is evaluating the potential multimodal elements (transit, bike, pedestrian improvements).

### Status

- Preparation of the environmental document is ongoing.

### Challenges

- Caltrans approval of Vehicle Miles Traveled (VMT) analysis and potential mitigation required.





## Board Report

File #: 2025-0902, File Type: Oral Report / Presentation

Agenda Number: 8.

### MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE DECEMBER 3, 2025

**SUBJECT: MEASURE M ACTIVE TRANSPORTATION UPDATES**

**ACTION: RECEIVE ORAL REPORT**

#### **RECOMMENDATION**

RECEIVE oral report on Measure M Active Transportation, programmed revenues, and uses to support discussion on the effective and efficient use of funds.

#### **ISSUE**

To support the discussion for the effective and efficient use of funds, this quarterly presentation provides the committee with the status of Metro active transportation activities related to Measure M projects including the LA River Waterway & System Bike Path and the Metro Active Transport (MAT) Program.

At the September meeting, the MMITOC requested an update on the funding plan and bid strategy for the Los Angeles River Bike Path - San Fernando Valley (LA River Path - SFV) project, which is managed by the City of Los Angeles Bureau of Engineering (LABOE). The LA River Path - SFV is included in the Measure M Expenditure Plan, as line item 14.

Metro staff have explored questions raised by MMITOC, which inquired into how LABOE intends to deliver the project, given the original bids that came in higher than expected.

Through discussions with LABOE, Metro staff understand the following:

- In preparing to rebid the construction of Segments 1 & 2, LABOE is attempting to reduce the cost of the project by a) conducting extensive contractor outreach to increase interest in the project, b) revising the schedule of values to remove areas of uncertainty and risk that were present in the original scope, and c) considering alternatives that would defer the completion of certain undercrossings to a subsequent project phase, enabling a more expedited project timeline while still completing a fully connected path.
- LABOE anticipates that these measures will enhance competitiveness, mitigate risks, and alleviate time constraints, collectively contributing to a reduction in project costs.
- The Expenditure Plan identifies \$60 million in Measure M funding for the LA River Path - SFV. In addition, LABOE was awarded \$10 million from the Measure M MAT Program at the Metro Board meeting on September 25, 2025, to deliver the LA River Path - SFV's first two



- segments, contingent on delivery before the summer 2028 Olympic and Paralympic Games.
- The expected funding gap for Segments 1 & 2 is \$7,082,000 (Table 1) based on current cost estimates. The City of Los Angeles is exploring all available funding sources to address the expected funding shortfall, including state and federal grants, leveraging local partners, flood control resources, and congressional appropriations. Table 2 provides details on secured funding and the current funding gap for the overall LA River Path - SFV project, which includes funding for Segments 1 & 2.

Table 1. Segments 1 &amp; 2 Funding and Balance

<b>Funding Source</b>	<b>Amount</b>
Measure M Expenditure Plan	\$24,000,000
California Active Transport Program (ATP Cycle 4)	\$18,590,000
Measure M MAT Cycle 2	\$10,000,000
Local	\$6,681,000
Total Funding Secured	\$59,271,000
<b>Project Fund Balance</b>	
Cost Estimate* (2025)	\$66,353,000
Total Funding Secured	\$59,271,000
Funding Gap	\$7,082,000
<i>*Cost estimates are subject to change</i>	

Table 2. LA River Path - SFV Project (all segments) Funding and Balance

<b>Funding Source</b>	<b>Amount</b>
Measure M Expenditure Plan	\$60,000,000
California Active Transport Program (ATP Cycle 4 & 6)	\$52,991,000
Measure M MAT Cycle 2 (for Segments 1 & 2)	\$10,000,000
Local	\$7,580,000
Total Funding Secured	\$130,571,000
<b>Project Fund Balance</b>	
Cost Estimate* (2024)	\$169,819,650
Total Funding Secured	\$130,571,000
Funding Gap	\$39,248,650
<i>*Cost estimates are subject to change</i>	

The LA Board of Public Works is scheduled to adopt the Request for Proposals (RFP) with the new bid package for the project covering Segments 1 & 2 with a new scope of on November 24 and bids

---

are expected to be due in January 2026. It is undetermined whether construction of some of the undercrossings will be postponed, but LABOE has confirmed that construction of Segments 1 & 2 is expected to begin in Spring 2026 and will be completed before the summer 2028 Olympic and Paralympic Games.

### **EQUITY PLATFORM**

The Measure M related activities for active transportation include two projects in the Measure M Expenditure Plan that will connect the bike path gaps along the Los Angeles River in the San Fernando Valley and in Central Los Angeles, as well as the Metro Active Transport, Transit and First/Last Mile (MAT) Program, a discretionary grant program guided by the priorities in the Active Transportation Strategic Plan (ATSP). Measure M also funds active transportation projects programmed by subregions through the Multiyear Subregional Program (MSP). In addition to funding these activities, Metro engages in First/Last Mile planning for communities to access existing and future major transit stops. Equity is built into Metro's approach to all of these activities.

The 2023 ATSP identified and prioritized a regional active transportation network based on criteria, including overlap with Equity Focus Communities (EFC). Projects in the ATSP regional network were eligible for MAT Program Cycle 2 funding. In addition to evaluating projects for investments in EFCs, MAT Cycle 2 project applications were evaluated based on factors including robust partnerships with Community Based Organizations (CBO) to ensure community engagement in project development. Project applications that were submitted for MAT Cycle 1 in 2020 were given bonus points for locations within EFCs. All selected projects that are being developed using Cooperative Agreements with Metro include CBO partnerships.

The LA River Project - Central City section directly serves seven EFC census tracts in the communities of Lincoln Heights, Chinatown, and Boyle Heights. Approximately 23% of the population in this area lives under the poverty line and more than 22% of the working-age population does not use cars as a primary mode of transportation. This path will not only be used for recreational purposes but also serve as a low-cost transportation option for those who have limited car ownership. The LA River Project - San Fernando Valley section directly serves two EFCs in the community of Reseda. It is being delivered by the City of Los Angeles.

Prepared by: James Andrew, Senior Manager, Countywide Planning & Development, (213) 547-4306  
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**Metro is making it easier to walk, bike, and roll.**

**ACTIVE TRANSPORTATION UPDATES**

**MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE**

**DECEMBER 3, 2025**



# Measure M Support for Active Transportation

- > Measure M Expenditure Plan Projects
  - LA River Waterway & System Bike Path (Central City)
  - Complete LA River Bike Path (San Fernando Valley)
  - Metro Active Transport (MAT) Program (32 projects)
- > Locally-Selected Projects
  - Local Return
  - Multi-year Subregional Program (MSP)
  - 3% Local Contribution for First/Last Mile Projects



# LA River Waterway & System Bike Path (Central Cities)

Preliminary Studies

Draft EIR

Final EIR

Preconstruction

Construction

Open

- > Draft Environmental Impact Report (DEIR) to be released in Winter 2025/2026
- > Selection of a single alternative and start of 60% design (subject to comments from US Army Corps of Engineers and LA Department of Water & Power (LADWP))
- > Potential to phase the project by segment
- > Agreements with Third Parties in progress:
  - LA County, City of LA, LADWP, Railroads, Caltrans
  - Agreement with the City of Vernon being revised due to LA County coordination
- > Operations & Maintenance lead and Construction Entity, yet to be determined

## Update since September MMITOC meeting:

- Pre-DEIR Release Public Meetings were held on September 30 and October 2
- DEIR Public Hearings to be held in Winter 2025/2026





# Complete LA River Bike Path (San Fernando Valley)

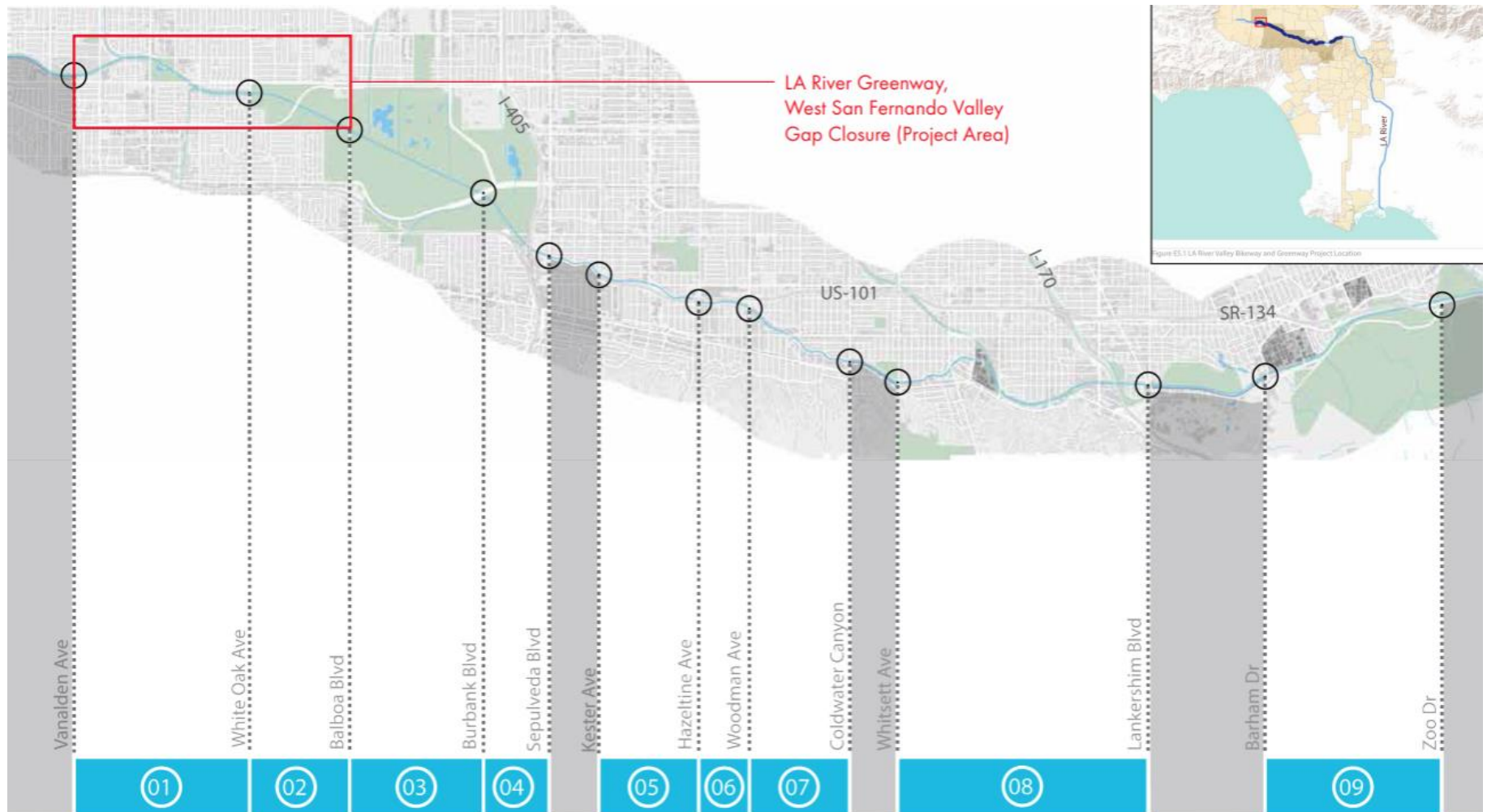
- > LA Bureau of Engineering is Lead Agency
- > 13 miles of bikeway gap closures
  - 9 segments: Vanalden Ave to Forest Lawn Dr
  - Design of all segments to be complete by 2029; construction of all segments expected by 2032
- > Cost estimate for the all segments is \$170M
- > \$70M in Measure M funding
  - \$60M in Expenditure Plan for all segments; \$24M for Segments 1 & 2, \$36M for remaining segments
  - \$10M in MAT funding for Segments 1 & 2
- > \$18.6M in California Active Transportation Program (ATP) Cycle 4 funding for Segments 1 & 2
- > \$34M in ATP Cycle 6 funding for Segment 8
- > City seeking remaining funding
- > City leading all phases of development, including operations and maintenance (in partnership with US Army Corps of Engineers)



Segment of LA River Bike Path completed in 2014

**Update since September MMITOC meeting:**  
Revised RFP for construction of Segments 1&2 are scheduled for release in November with bids due in January.  
Segments 1&2 also received a \$10M grant from Metro's MAT funding in September

# Complete LA River Bike Path (San Fernando Valley)



Los Angeles River Valley Bikeway and Greenway Design Completion Project  
(2017 Feasibility Study)

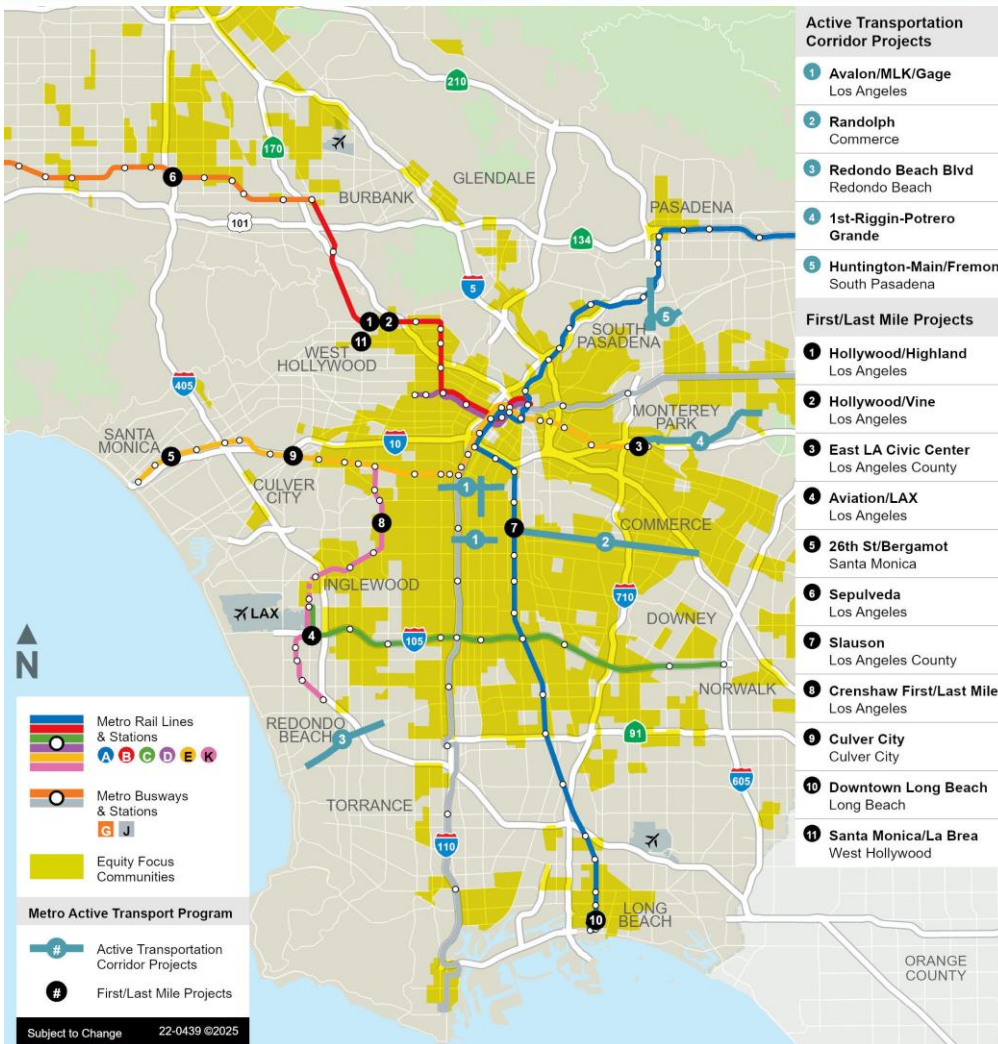
Constructed Segments or in Design Phase

01 Segment Number





# Metro Active Transport Program Cycle 1



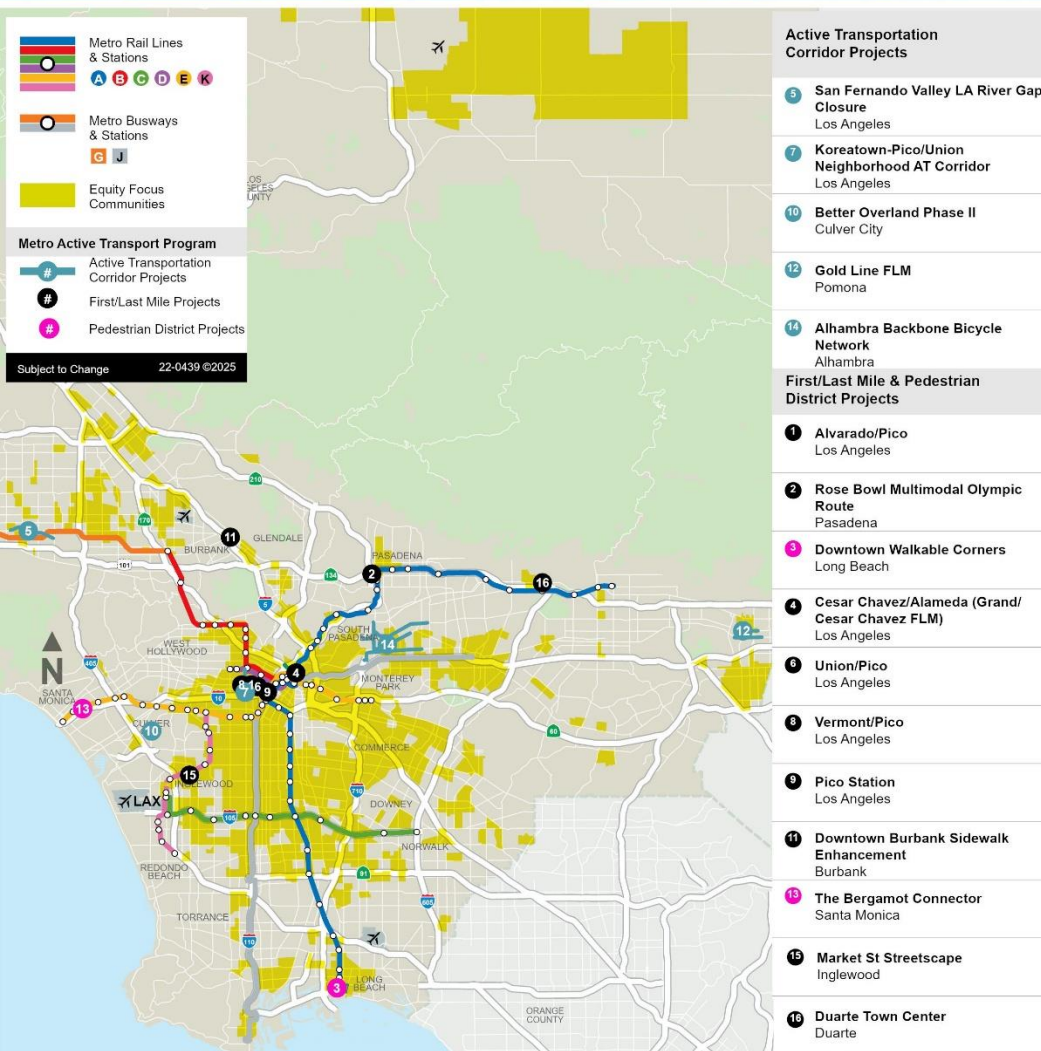
- > \$69.5M programmed to 10 jurisdictions:
  - 11 First/Last Mile Projects
  - 5 Active Transportation Corridor Projects
- > Most projects in Planning and Design Phase
- > Significant funding capacity remains as of October:

MAT Cycle 1 Funds Spent	Funds Programmed
\$4,940,083	\$69,500,000

## Update since September MMITOC meeting: October Board action

- > Reprogramming of funds for 8 projects through FY 2028-29
- > Deobligation of \$33,046 from Cycle 1 due to project cost savings
  - Funds returned to MAT Program

# Metro Active Transport Program Cycle 2



> \$85.5M programmed to 10 jurisdictions:

- 9 First/Last Mile Projects
- 2 Pedestrian District Projects
- 5 Active Transportation Corridor Projects

> Most projects are for construction phase

- 3 awards require completion for 2028 Games; 8 are Games-supportive

> Projects include:

- **30.5 miles** of active transportation improvements including **28.3 miles of bike lanes/paths**
- Improvements to crosswalks, signals, curb extensions, curb ramps, and traffic calming/diversion for safer access to **11 transit stops/stations**

**Update since September MMITOC:** Board approval of projects and development of Funding Agreements and Cooperative Agreements

# Thank you



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