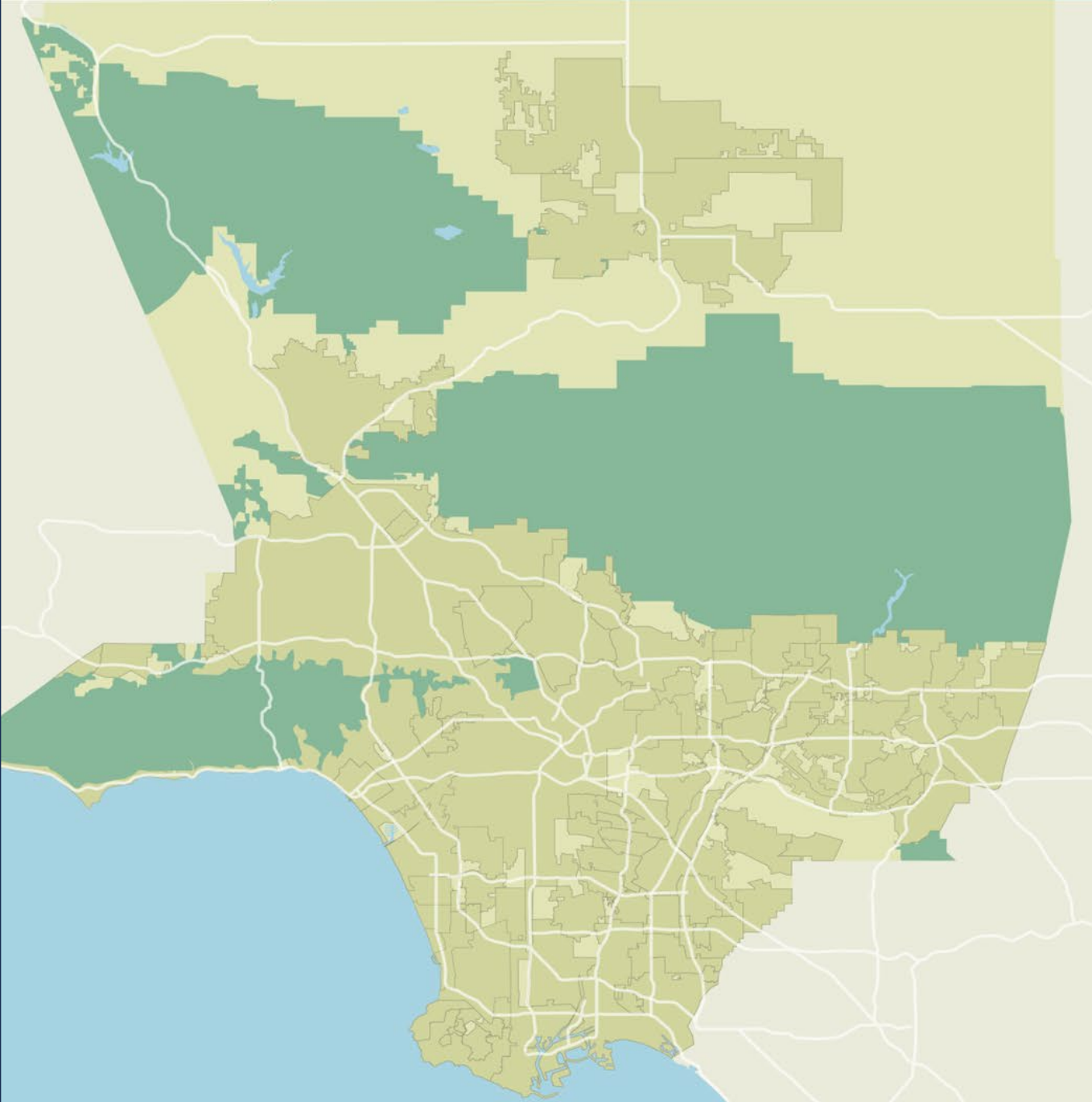




Item # 15

Fiscal Year 2025 (FY25) Proposed Budget

Agenda



1. BUDGET HIGHLIGHTS

- > FY25 Proposed Budget: Revenues vs Expenditures
- > Transportation Infrastructure Development (TID)
- > Metro Transit – Operations
 - Enhancing Customer Experience
- > Metro Transit - Capital Improvement Program (CIP)
- > Regional Allocation & Pass-throughs
- > Other Programs

2. EXPANDED PUBLIC ENGAGEMENT

- > Public Outreach & Stakeholder Engagement Calendar

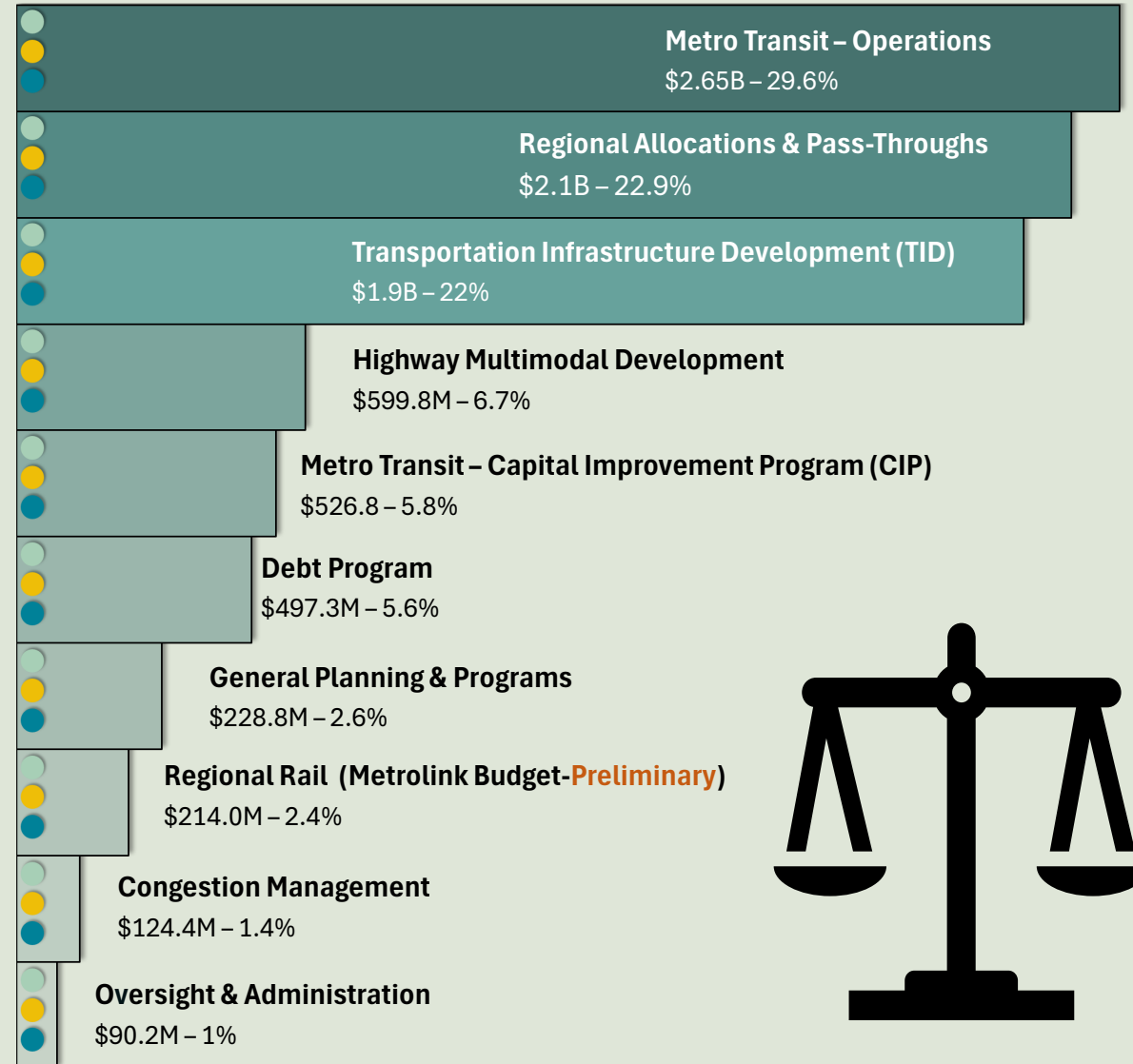
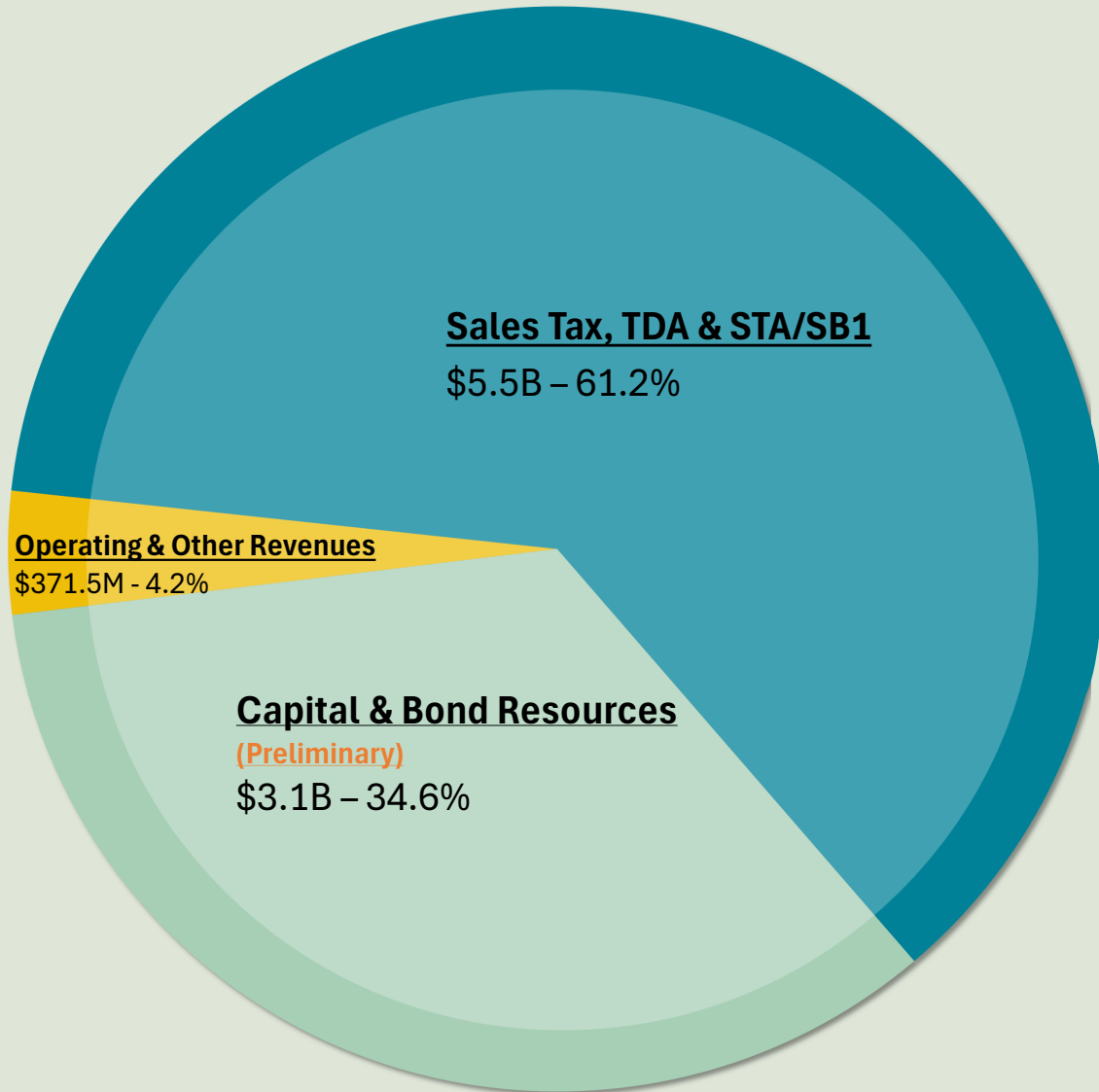
3. MAY BOARD REPORT FY25 BUDGET ADOPTION



RESOURCES: \$9.0B

EXPENDITURES : \$9.0B

BALANCED





Initiation

Planning

Engineering

Procurement

Construction /Integration

Operations/Activation /Integration

Transit Planning Projects: \$352.4M

C Line Extension to Torrance	\$ 58.3
Countywide BRT Planning	2.4
E Line Eastside LRT Phase 2	45.5
Eastside Access	0.6
K Line Northern	8.3
North San Fernando Valley BRT	2.0
Rail & Bus Ops Control Center	16.9
Sepulveda Corridor	60.5
SGV Feasibility Study	1.0
Southeast Gateway Line	136.8
Vermont Transit Corridor	20.1

- > Planning & studies increased by 62.4% over FY24
- > Planning projects continue to advance to various stages

Transit Construction Projects: \$1,612.5M

A Line Extension to Pomona	\$ 146.7
Airport Metro Connector	143.5
D Line Extension (all sections)	694.7
East San Fernando Valley LRT	281.3
Expo Closeout	2.9
G Line BRT Improvements	106.8
K Line (Crenshaw)	21.0
North Hollywood to Pasadena BRT	114.4
Regional Connector	37.7
Systemwide	63.5

- > Construction cashflow decreased 29.3% from FY24
- > All major construction projects continue to progress





Bus Service
\$1.75B

- > 7.16M RSH
- > Improving Speed and Reliability
- > Advancing NextGen Initiatives
- > 3.6% increase over FY24 est. RSH actuals



Rail Service
\$855.0M

- > 1.40M RSH
- > New 10-minute service: B & D lines
- > 2 New Stations – Airport Metro Connector & Aviation Century
- > 16.4% increase over FY24 est. RSH actuals



Metro Micro
\$41.9M

- > 271.4K RSH
- > Pilot program extended - September 2024



RSH = Revenue Service Hours

OVERVIEW

- > RSH for FY25 reflects a 5.3% increase over FY24 estimated actuals
- > PLE 1 & A-line - Pomona Extension Testing
- > A and E Lines enhanced frequencies (8-min peak /10-min off-peak)
- > C and K Lines 10-min daytime frequency introduced in December 2023 until end of 2024.
- > Planned launch of C Line & K Line with improved weekday peak frequency of 8-min by end of 2024.
- > B & D lines improved frequency to 10 minutes



NextGen	Public Safety Multi-layer Approach	Cleaning	Station Experience
<ul style="list-style-type: none"> > Bus Priority Lanes, curb modifications & layover optimization > Camera Bus Lane Enforcement > North San Fernando Valley Bus Rapid Transit Network Improvements - bus shelters 	<ul style="list-style-type: none"> > Expansion of Ambassador deployment sites and Community Intervention Specialists (CIS) > 53 Additional Transit Security staff for weekends, late nights, and expanding bus-riding teams 	<ul style="list-style-type: none"> > Rail Stations: Custodial staff @ 17 Hot Spots > 7 day/week bus terminal cleaning > 165 new custodial staff & 50 Room-to-Work participants > Safe & Smart public restroom pilot 	<ul style="list-style-type: none"> > Expansion of Westlake MacArthur pilot to Pershing Square, Compton, Firestone, Harbor Freeway, Lake, Norwalk, & Pico > Improve lighting, ventilation, fare gates, cameras, elevator safety & public restrooms 

OVERVIEW

- > Reassessing safety protocols
- > Upholding accessibility & affordability in transit choices

- > Additional staff to enhance station experience
- > Continuing Room to Work program – increased capacity
- > Daily Terminal cleaning includes 4 terminals; 7-days a week



Bus
\$141.7M

- > NextGen implementing Bus Priority Lanes, curb modifications, & layover optimization
- > Zero Emission Bus Fleet and Infrastructure
- > Transit Signal Priority
- > Bus Mobile Validators



Rail
\$225.7M

- > New Rail cars for PLE 1/2/3 service expansion & replacement
- > Station enhancements including lighting, art, & security for customer experience initiative



Other Asset Improvement
\$159.4M

- > Ticket Vending Machines
- > Enhanced CCTV
- > Technology



OVERVIEW

- > \$526.8M reflects a 2.3% or \$12.5M decrease from FY24
- > Significant investments made in Transit Signal Priority (TSP) & Bus Mobile Validators (BMV) for all door boarding
- > Investments in track/tunnel intrusion technology & improvements to signage/wayside throughout the system
- > Tech enhancements to improve the customer experience, including EV charging stations



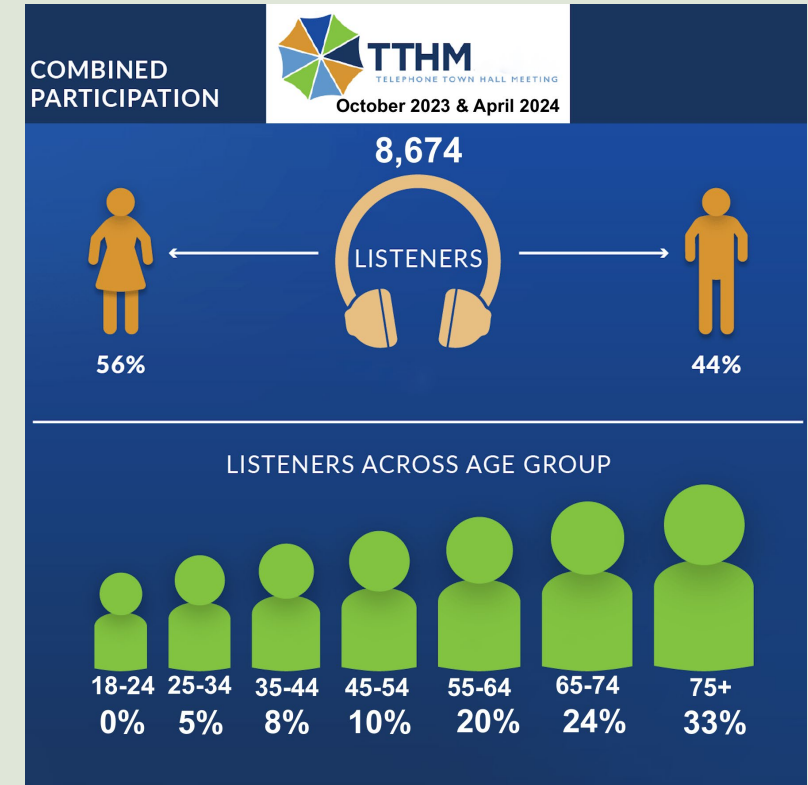
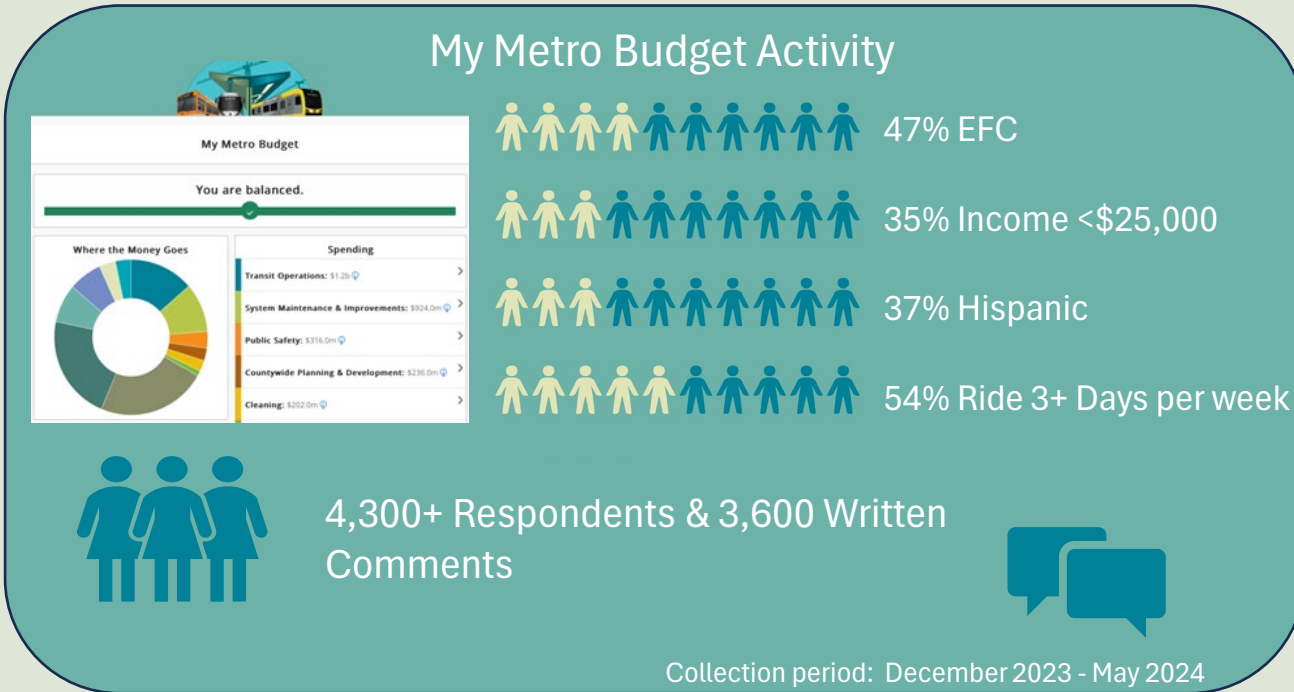
<u>Highway Multimodal Development:</u> \$599.8M	<u>Regional Rail:</u> \$214.0M *	<u>General Planning & Programming:</u> \$228.8M	<u>Oversight & Admin:</u> \$90.2M	<u>Debt Program:</u> \$497.3M	<u>Congestion Management:</u> \$124.4M
<ul style="list-style-type: none"> > \$599.8M reflect a \$18.3M or 3.0% decrease over FY24 > ExpressLanes cashflow increased due to I-105 ExpressLanes project > Bus-Only Lanes & NextGen Bus Initiative increased 32% from FY24 	<ul style="list-style-type: none"> > \$214.0M reflects a 32% or \$100.5M decrease from FY24 > Double Tracking & Grade Separation transitioning to construction phase > *FY25 Metrolink budget -- pending approval 	<ul style="list-style-type: none"> > \$228.8M reflects a 3.6% or \$8.6M decrease from FY24 > Active Transportation, Bike & Other \$95.8M > Property Management \$76.8M > Financial, Grants, Management & Admin \$48.3M > Unsolicited Proposals, P3 & Other \$7.9M 	<ul style="list-style-type: none"> > \$90.2M reflects a 7% or \$5.9M increase from FY24 > O&A is approximately 1.1% of FY25 Preliminary Budget > Ongoing activities: Legal services, ethical compliance, Office of Inspector General services, regulatory environmental assessments & mandated audits 	<ul style="list-style-type: none"> > \$497.3M reflects a 1.5% or \$7.5M increase from FY24 > Debt service costs for existing debt to fund Measure R/M construction projects and other capital projects 	<ul style="list-style-type: none"> > \$124.4M reflects a 4.8% or \$6.3M decrease from FY24 > Freeway Patrol will procure new tow service contracts including service & vehicles > Rideshare Services will experience an increase in the Board-approved vanpool subsidy which is offset by a decrease in labor due to staff realignment



Local Return, TDA 3 & 8 \$921.4M	Regional Transit \$779.1M	Major Projects \$211.0M	Other Local Programs \$81.7M	Fare Assistance (LIFE Program) \$34.3M	Regional Federal Grants \$23.7M
<ul style="list-style-type: none"> > Allocations to 88 cities & LA County for transit & mobility improvements > Local Return - Prop A & C, Measure R & M > TDA Articles 3 & 8 	<ul style="list-style-type: none"> > Municipal & Local Operators' Funds > Access Services 	<ul style="list-style-type: none"> > Alameda Corridor East Phase II > Antelope Valley Metrolink Line Projects > Inglewood Transit Corridor > Sankofa Park Project 	<ul style="list-style-type: none"> > Call for Projects > Active Transportation & Transit Programs > Congestion Reduction Toll Revenue Grants > Federal Pass-Throughs > Transit Oriented Development Grants 	<ul style="list-style-type: none"> > Low Income Fares is Easy (LIFE) Program provides fare assistance to low-income transit riders 	<ul style="list-style-type: none"> > Job Access Reverse Commute (JARC) > New Freedom Program > Section 5310 > Surface Transportation Program - Local Exchange 

OVERVIEW

- > \$2.1B reflects a \$6.8M or 0.3% reduction from FY24
- > FY25 revenues lower than FY24
- > Separate Board Action on Access Services & Transit Fund allocations (June)
- > Metro allocates funds to transit agencies & jurisdictions for projects
 - > 89% passed through per policy & legislation
 - > 11% for Access Services & LIFE Program



What We Heard:

- Safety & Security
- Cleanliness of System
- Service Frequency & Reliability



What Metro is Doing:

- Safety & Security – 10% budget increase
- Cleanliness of System – 14.4% budget increase
- Service Frequency & Reliability – 5.5% RSH budget increase vs FY24 estimated actuals



October 2023

- > CEO's Telephone Town Hall



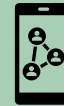
November 2023

- > Launch My Metro Budget Activity
Available in 9 language



December 2023

- > Community group engagement – My Metro Budget Physical Marketing Cards to:
 - * Metro Station Staff
 - * Metro Micro
 - + GoPass
 - + LIFE
 - + On The Move Riders Program
 - + Metro Youth Council
 - + Women & Girls Governing Council
 - + TAP Vendors



January 2024

- > Social Media Launch of My Metro Budget Activity



February 2024

- > Regional Service Councils – Briefings in all Regions
 - + San Gabriel Valley
 - + San Fernando
 - + South Bay Cities
 - + Westside Cities
 - + Gateway Cities
- > Accessibility Advisory Committee
- > Metro Youth Council



March 2024

- > Community Advisory Committee



April 2024

- > CEO's Telephone Town Hall –
 - > San Gabriel Valley COG
 - > Bus Operators Subcommittee
 - > Streets & Freeways
 - > Community Advisory Council
 - > Gateway Cities COG
 - > Telephone Town Hall
 - + Westside Cities COG



May 2024

- > Regional Service Councils, Briefing
- > Technical Advisory Committee
- > Valley Industry & Commerce Association
- > Local Transit Systems Subcommittee
- > Accessibility Advisory Committee
- > San Gabriel Valley COG
- > **Budget Public Hearing**
- > Measure M Oversight Committee



> Note: Updated as additional meetings are scheduled.
 > Ongoing Public Participation



- A. ADOPTING the proposed FY25 Budget as presented in the budget document (provided in a separate transmittal and posted on metro.net);
1. AUTHORIZING \$9.0 billion annual consolidated expenditures to achieve goals and objectives set forth by the Board adopted mission and goals; and
 2. AUTHORIZING a total of 11,283 FTEs, of which 9,275 are Represented FTEs and 2,008 are Non-Represented FTEs; and
 3. AUTHORIZING an average 4% performance-based merit increase for Non-Represented employees; and
 4. AMENDING the proposed budget to include \$16.4 million for the federal fund awarded to Metro from the Reconnecting Communities and Neighborhoods (RCN) grant for the first set of projects from the Games Mobility Concept Plan and
 5. AMENDING the proposed budget to include \$3.5 million in FY25 for the Operations Central Instruction (OCI) project and approve a Life-of-Project (LOP) budget of \$24.5 million which will centralize training and onboarding for Bus Operators and essential front-line staff and
 6. APPROVING the Life of Project (LOP) budgets for new capital projects; new capital projects with LOP exceeding \$5.0 million are presented in Attachment B; and
 7. AMENDING the proposed budget to include any Board approved actions currently under consideration from now to the end of the fiscal year (June 30, 2024); and



- B. APPROVING the programming of \$10 million in Measure M funds for the SR-71 Project to support design activities for the SR-71 North Segment project. The FY25 Proposed Budget currently has \$30 million for SR-71 South Segment Project which will be adjusted to provide \$10 million for the SR-71 North Segment project and \$20 million for the SR-71 South Segment Project.

- C. APPROVING the Reimbursement Resolution declaring Metro's intention to issue debt in FY25 for capital projects, as shown in Attachment C, with the provision that actual debt issuance will require separate Board approval.