Metro

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

**Agenda - Final**

**Thursday, July 16, 2026**

**10:00 AM**

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# Finance, Budget and Audit Committee

## 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.

**TECHNOLOGY DISRUPTIONS** - Although staff will do their due diligence to restore service, if joining the meeting virtually, please be aware that the Committee or Board may continue its meeting not withstanding a technical disruption that prevents members of the public from attending or observing the meeting via the two-way telephonic service or two-way audio visual platform.

**CONDUCT IN THE BOARD ROOM** - The following rules pertain to conduct at Metropolitan Transportation Authority meetings:

**REMOVAL FROM THE BOARD ROOM** - The Chair shall order removed from the Board Room any person who commits the following acts with respect to any meeting of the MTA Board:

a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
d. Any other unlawful interference with the due and orderly course of said meeting.

**INFORMATION RELATING TO AGENDAS AND ACTIONS OF THE BOARD**

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

**DISCLOSURE OF CONTRIBUTIONS**

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

**ADA REQUIREMENTS**

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

**LIMITED ENGLISH PROFICIENCY**

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

**323.466.3876**
**x2** *Español (Spanish)*
**x3** 中文 *(Chinese)*
**x4** 한국어 *(Korean)*
**x5** Tiếng Việt *(Vietnamese)*
**x6** 日本語 *(Japanese)*
**x7** русский *(Russian)*
**x8** Հայերէն *(Armenian)*

**HELPFUL PHONE NUMBERS AND EMAIL**

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

## Live Public Comment Instructions:

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

The Meeting begins at 10:00 AM Pacific Time on July 16, 2026; you may join the call 5 minutes prior to the start of the meeting.

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

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

## Instrucciones para comentarios publicos en vivo:

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

La Reunion de la Junta comienza a las 10:00 AM, hora del Pacifico, el 16 de Julio de 2026. Puedes unirte a la llamada 5 minutos antes del comienso de la junta.

Marque: 888-978-8818 y ingrese el codigo
Codigo de acceso en ingles: 5647249#
Codigo de acceso en espanol: 7292892#

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

## Written Public Comment Instruction:

Written public comments must be received by 5PM the day before the meeting.
Please include the Item # in your comment and your position of “FOR,” “AGAINST,” "GENERAL COMMENT," or "ITEM NEEDS MORE CONSIDERATION."
Email: BoardClerk@metro.net
Post Office Mail:
Board Administration
One Gateway Plaza
MS: 99-3-1
Los Angeles, CA 90012

## CALL TO ORDER

## ROLL CALL

APPROVE Consent Calendar Items: 24, 25, 26, 27, and 28.

Consent Calendar items are approved by one motion unless held by a Director for discussion and/or separate action.

## CONSENT CALENDAR

**24. SUBJECT: EXCESS LIABILITY INSURANCE PROGRAM** 2025-1089

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to negotiate and purchase Public Entity excess liability policies with up to $300 million in limits at a not-to-exceed premium of $31 million for the 12-month period effective August 1, 2026, to August 1, 2027.

***Attachments:*** Attachment A - Proposed Options and Premiums
Attachment B - Proposed Public Entity Liability Carriers and Program Structure
Presentation

**25. SUBJECT: CYBERSECURITY LIABILITY INSURANCE PROGRAM** 2026-0442

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to negotiate and purchase a cybersecurity liability insurance policy with up to $50 million in limits at a cost not-to-exceed $2.7 million for the 12-month period effective September 1, 2026, to September 1, 2027.

***Attachments:*** Attachment A - Coverage Options and Premiums
Attachment B - Coverage Description
Presentation

**26. SUBJECT: FY26 LOCAL RETURN CAPITAL RESERVE ACCOUNTS** 2026-0393

**RECOMMENDATION**

CONSIDER:

A. ESTABLISHING new Local Return funded Capital Reserve Accounts for the Cities of Bell (Measure M), Beverly Hills (Measure M), Compton (Proposition C), Lawndale (Proposition C and Measure M), Lynwood (Proposition C), Palmdale (Proposition C, Measure R, Measure M), Palos Verdes Estates (Proposition C), Rolling Hills Estates (Proposition C, Measure R, Measure M), Rosemead (Proposition C), San Dimas

(Proposition C, Measure M), Santa Monica (Proposition C, Measure M), Sierra Madre (Proposition A), and Torrance (Proposition C), and amending the Local Return funded Capital Reserve Account for the City of Lomita (Proposition C) (Attachment A); and

B. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements between Los Angeles County Metropolitan Transportation Authority (LACMTA) and the Cities in Recommendation A for their Capital Reserve Accounts as approved.

***Attachments:*** Attachment A - Proposed FY26 Capital Reserve Account Summary
Presentation

**27. SUBJECT: FY27 TRANSPORTATION DEVELOPMENT ACT (TDA) ARTICLE 8 FUND PROGRAM** 2026-0405

**RECOMMENDATION**

ADOPT:

A. FINDINGS and RECOMMENDATIONS (Attachment A) for allocating Fiscal Year 2027 (FY27) Transportation Development Act (TDA) Article 8 funds (Attachment B) estimated at $35,546,436 as follows:

1. In the City of Avalon, there are no unmet transit needs that are reasonable to meet. Therefore, TDA Article 8 funds in the amount of $167,800 may be used for street and road projects or transit projects;

2. In the Cities of Lancaster and Palmdale, there are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale, and the unincorporated portions of the Antelope Valley, transit needs can be met by using other existing fund sources. Therefore, TDA Article 8 funds in the amount of $8,817,477 for Lancaster and $8,288,185 for Palmdale may be used for street and road projects or transit projects, if transit needs continue to be met;

3. In the City of Santa Clarita, there are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other fund sources. Therefore, $11,526,141 in TDA Article 8 funds for the City of Santa Clarita may be used for street and road projects or transit projects, if transit needs continue to be met;

4. In the Los Angeles County Unincorporated areas of North County, the areas encompassing both the Antelope Valley and the Santa Clarita Valley, transit needs are met with other fund sources such as Proposition A and Proposition C Local Return. Therefore, TDA

Article 8 funds in the amount of $6,746,833 may be used for street and road projects or transit projects, if transit needs continue to be met; and

B. A RESOLUTION (Attachment C) making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

***Attachments:***
Attachment A - FY27 Proposed Findings and Recommended Actions
Attachment B - FY27 TDA Article 8 Apportionments
Attachment C - FY27 TDA Article 8 Resolution
Attachment D - History of TDA Article 8 & Definitions of Unmet Transit Needs
Attachment E - TDA Article 8 Public Hearing Process
Attachment F - FY27 TDA Article 8 Comment Summary Sheet
Attachment G - Letters from AVTA & Santa Clarita Transit on Actions Taken
Presentation

**28. SUBJECT: TECHNICAL ENHANCEMENT AND BUSINESS PROCESS ADVISORY SERVICES** 2026-0170

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to:

A. AWARD a five-year on-call firm fixed unit rate Contract No. PS132584000 to KPMG LLP to provide custom application development and maintenance in Oracle, Salesforce, and Microsoft SharePoint in the Not to Exceed (NTE) amount of $12,198,522, subject to the resolution of any properly submitted protest(s), if any;

B. AWARD a five-year on-call firm fixed unit rate Contract No. PS132584001 to Crowe LLP to provide business improvement process studies related to Metro financial/accounting functions in the NTE amount of $1,562,830, subject to the resolution of any properly submitted protest(s), if any; and

C. AWARD a five-year on-call firm fixed unit rate Contract No. PS132584002 to KPMG LLP to provide organizational and resource planning and management in the NTE amount of $1,201,825, subject to the resolution of any properly submitted protest(s), if any.

***Attachments:***
Attachment A - Procurement Summary
Attachment B - DEOD Summary

## NON-CONSENT

**29. SUBJECT: CONSOLIDATED AUDIT FOR FISCAL YEAR 2025** 2026-0463

**RECOMMENDATION**

RECEIVE AND FILE the Consolidated Audit Financial and Compliance Reports completed by Vasquez and Company (Vasquez) and Simpson and Simpson (Simpson), certified public accountants, for the fiscal year ended June 30, 2025 (FY25).

***Attachments:***
Attachment A - FY25 Prop. A and Prop. C Local Return Reports (Vasquez)
Attachment B - FY25 Prop. A and Prop. C Local Return Reports (Simpson)
Attachment C - FY25 Measure R Annual Report
Attachment D - FY25 Measure M Annual Report
Presentation

**30. SUBJECT: ACCESS SERVICES FISCAL YEAR 2027 PROPOSED BUDGET** 2026-0245

**RECOMMENDATION**

CONSIDER:

A. APPROVING local funding request for Access Services (Access) in an amount not to exceed $240,986,909 for FY27. This amount includes:
   1. Local funds for operating and capital expenses in the amount of $238,218,046
   2. Local funds paid directly to Metrolink for its participation in Access' Free Fare Program in the amount of $2,768,863

B. AMENDING the FY27 Budget by $27,150,139 to fully fund Recommendation A; and

C. AUTHORIZING the Chief Executive Officer (CEO) to negotiate and execute all necessary agreements to implement the above funding program.

***Attachments:***
Attachment A - FY27 Access Services ADA Program
Attachment B - Expenses & Key Performance Indicators
Presentation

**SUBJECT: GENERAL PUBLIC COMMENT** 2026-0494

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