

# **Metro**

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



## **Agenda - Final**

**Wednesday, June 20, 2018**

**11:00 AM**

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

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

*Kathryn Barger, Chair*

*Paul Krekorian, Vice Chair*

*John Fasana*

*Janice Hahn*

*Ara Najarian*

*Carrie Bowen, non-voting member*

*Phillip A. Washington, Chief Executive Officer*

## **METROPOLITAN TRANSPORTATION AUTHORITY BOARD 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 should be submitted in person at the meeting to the Board Secretary. Individuals requesting to speak on more than three (3) agenda items will be allowed to speak up to a maximum of three (3) minutes per meeting. For individuals requiring translation service, time allowed will be doubled.

Notwithstanding the foregoing, and in accordance with the Brown Act, this agenda does not provide an opportunity for members of the public to address the Board on any Consent Calendar agenda item that has already been considered by a Committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the Committee on the item, before or during the Committee's consideration of the item, and which has not been substantially changed since the Committee heard the item.

The public may also address the Board on non-agenda items within the subject matter jurisdiction of the Board during the public comment period, which will be held at the beginning and/or end of each meeting. Each person will be allowed to speak for up to three (3) minutes per meeting and may speak no more than once during the Public Comment period. Speakers will be called according to the order in which the speaker request forms are received. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

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

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

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

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

Agendas for the Regular MTA Board meetings are prepared by the Board Secretary 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 on CD's and as MP3's and can be made available for a nominal charge.

## DISCLOSURE OF CONTRIBUTIONS

The State Political Reform Act (Government Code Section 84308) requires that a party to a proceeding before an agency involving a license, permit, or other entitlement for use, including all contracts (other than competitively bid, labor, or personal employment contracts), shall disclose on the record of the proceeding any contributions in an amount of more than \$250 made within the preceding 12 months by the party, or his or her agent, to any officer of the agency, additionally PUC Code Sec. 130051.20 requires that no member accept a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. Persons required to make this disclosure shall do so by filling out a "Disclosure of Contribution" form which is available at the LACMTA Board and Committee Meetings. 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 hours) in advance of the scheduled meeting date. Please telephone (213) 922-4600 between 8 a.m. and 5 p.m., Monday through Friday. Our TDD line is (800) 252-9040.

## LIMITED ENGLISH PROFICIENCY

A Spanish language interpreter is available at all Board Meetings. Interpreters for Committee meetings and all other languages must be requested 72 hours in advance of the meeting by calling (213) 922-4600 or (323) 466-3876.



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## HELPFUL PHONE NUMBERS

Copies of Agendas/Record of Board Action/Recordings of Meetings - (213) 922-4880 (Records Management Department)

General Information/Rules of the Board - (213) 922-4600

Internet Access to Agendas - [www.metro.net](http://www.metro.net)

TDD line (800) 252-9040

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

**CALL TO ORDER****ROLL CALL****APPROVE Consent Calendar Item(s): 5, 6, 7, 8**

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

**CONSENT CALENDAR****5. SUBJECT: EXCESS LIABILITY INSURANCE PROGRAM**[2018-0239](#)**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to negotiate and purchase excess liability insurance policies with up to \$300 million in limits and an \$8 million self-insured retention at a cost not to exceed \$4.5 million for the 12-month period effective August 1, 2018 to August 1, 2019.

**Attachments:**     [Attachment A - Options, Premiums and Loss History](#)  
                              [Attachment B - Proposed Carriers & Structure](#)

**6. SUBJECT: CONSOLIDATED AUDIT FOR FISCAL YEARS 2016-20**[2018-0271](#)**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Modification No. 3 to Contract No. PS4488900, with Vasquez & Company, LLP for Package A of the Fiscal Years (FY) 2016-2020 to provide financial and compliance Measure M audits in the amount of \$402,912 increasing the contract value from \$2,357,296 to \$2,760,208.

**Attachments:**     [Attachment A - Procurement Summary](#)  
                              [Attachment B - Contract Modification Log](#)  
                              [Attachment C - DEOD Summary](#)

**7. SUBJECT: PROPOSITION A AND PROPOSITION C LOCAL  
RETURN CAPITAL RESERVES**[2018-0270](#)**RECOMMENDATION**

CONSIDER:

- A. ESTABLISHING Proposition A and Proposition C Local Return funded Capital Reserve Account(s) for the Cities of Covina, Hidden Hills, La Mirada, Lawndale, San Dimas, Santa Monica, and Signal Hill, as described in Attachment A;

- B. APPROVING four year extension of Proposition A and Proposition C Local Return Capital Reserve Account(s) for the Cities of El Monte, Lomita, and Redondo Beach, as described in Attachment A;
- C. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements between the Los Angeles County Metropolitan Transportation Authority (LACMTA) and the Cities in Attachment A for their Capital Reserve Accounts as approved.

Attachments:     [Attachment A - Project Summary for Proposed or Amended Capital Reserve Accounts](#)

**8. SUBJECT:     TRANSPORTATION DEVELOPMENT ACT (TDA)  
ARTICLE 8 FUND PROGRAM**

[2018-0211](#)

**RECOMMENDATION**

**ADOPT:**

- A. Findings and Recommendations (Attachment A) for allocating fiscal year (FY) 2018-19 Transportation Development Act (TDA) Article 8 funds estimated at \$25,832,364 as follows:
  - 1. In the City of Avalon there are no unmet transit needs that are reasonable to meet, therefore TDA Article 8 funds (Attachment B) in the amount of \$148,677 may be used for street and road projects, or transit projects, as described in Attachment A;
  - 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 North County transit needs can be met through using other existing funding sources. Therefore, the TDA Article 8 funds in the amount of \$6,310,964 and \$6,342,355 (Lancaster and Palmdale, respectively) may be used for street and road purposes and/or transit, as long as their transit needs continue to be met;
  - 3. In the City of Santa Clarita, there are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds in the amount of \$8,651,483 for the City of Santa Clarita may be used for street and road and/or transit, as long as their transit needs continue to be met;
  - 4. In the Los Angeles County Unincorporated areas of North County, the areas encompassing both the Antelope Valley and the Santa Clarita

Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$4,378,886 may be used for street and road purposes and/or transit, as long as their transit needs continue to be met; and

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

**Attachments:**    [Attachment A - FY19 Proposed Findings & Recommendations](#)  
[Attachment B - TDA8 Apportionments](#)  
[Attachment C - FY2018-19 TDA Article 8 Resolution](#)  
[Attachment D - History and Definitions](#)  
[Attachment E - TDA Article 8 Public Hearing Process](#)  
[Attachment F - Summary of the comments](#)  
[Attachment G - Summary of Recommendations](#)  
[Attachment H - Proposed Recommendations](#)

## NON-CONSENT

9.    **SUBJECT:    LOW INCOME FARE IS EASY (LIFE) PROGRAM**

[2018-0087](#)

### **RECOMMENDATION**

RECEIVE AND FILE an update on the outreach activities, including on-site events, for the LIFE Program.

**Attachments:**    [Attachment A - Motion 12.1](#)  
[Attachment B - List of the Events/Locations](#)

10.   **SUBJECT:    FISCAL YEAR 2019 TRANSIT FUND ALLOCATIONS**

[2018-0193](#)

### **RECOMMENDATION**

CONSIDER:

- A. APPROVING \$2.3 billion in FY 2019 Transit Fund Allocations for Los Angeles County jurisdictions, transit operators and Metro operations as shown in Attachment A. These allocations comply with federal, state and local regulations and LACMTA Board approved policies and guidelines;
- B. APPROVING fund exchange in the amount of \$6.0 million of Santa Monica's Big Blue Bus' FY 2019 Federal Section 5307 formula share allocation with Metro's TDA Article 4 allocation;
- C. APPROVING fund exchange of Federal Section 5307 discretionary fund awarded to the Southern California Regional Transit Training Consortium

(SCRTTC) through Long Beach Transit in the amount of \$300,000 with Metro's TDA Article 4 allocation;

- D. APPROVING fund exchanges in the amount totaling \$11.4 million of Metro's Federal Section 5307 share with Municipal Operators' shares of Federal Sections 5337 and 5339;
- E. AUTHORIZING the Chief Executive Officer to adjust FY 2019 Federal Section 5307 (Urbanized Formula), Section 5339 (Bus and Bus Facilities) and Section 5337 (State of Good Repair) allocations upon receipt of final apportionments from the Federal Transit Authority and amend FY 2019 budget as necessary to reflect the aforementioned adjustment;
- F. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements to implement the above funding programs;
- G. ADOPTING a resolution designating Transportation Development Act (TDA) and State Transit Assistance (STA) fund allocations are in compliance with the terms and conditions of the allocations (Attachment D); and
- H. APPROVING amendment to the FY 2018 State Transit Assistance Fund Allocations and Senate Bill 1 Transit Formula Fund allocations (Attachment B).

**Attachments:**     [Attachment A - FY19 Transit Fund Allocations Proposal](#)  
                              [Attachment B - Amendment to the FY18 Transit Fund Allocations](#)  
                              [Attachment C - Summary of Significant Info, Methodologies & Assumptions](#)  
                              [Attachment D - TDA and STA Resolution](#)

**11. SUBJECT:     FY 2018-19 METROLINK ANNUAL WORK PROGRAM BUDGET**

[2018-0332](#)

**RECOMMENDATION**

**CONSIDER:**

- A. APPROVING the Los Angeles County Metropolitan Transportation Authority's (LACMTA) share of the Southern California Regional Rail Authority's (SCRRA) FY 2018-19 Budget Transmittal dated April 30, 2018, Annual Work Program totaling \$125,508,211 for programs as detailed in Attachment A;
- B. REPROGRAMMING the use of \$10,360,333 in Deferred Revenue to fund LACMTA's share of costs detailed in Attachment A;
- C. REPROGRAMMING the use of \$5,000,000 in TVM funds to fund a portion

of LACMTA's share of costs detailed in Attachment A;

- D. APPROVING the Conceptual Design Study for Tunnel 25 in the amount of \$750,000.
- E. EXTENDING the lapsing dates for funds previously allocated to SCRRA for the Rehabilitation and Renovation Program as follows:
1. FY 2013-14 from June 30, 2018 to June 30, 2019 - \$28,750
  2. FY 2014-15 from June 30, 2018 to June 20, 2019 - \$1,177,032
- F. APPROVING the FY19 Transfers to Other Operators payment rate of \$1.10 per boarding to LACMTA and an EZ Pass reimbursement cap to LACMTA of \$5,592,000; and
- G. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements between LACMTA and the SCRRA for the approved funding.

**Attachments:**     [Attachment A - LACMTA Share of Metrolink Programming for FY 19](#)  
[Attachment B - Transmission of FY19 Budget to Member Agencies](#)  
[Attachment C - FY 19 List of Programming for Rehabilitation and Capital Projects](#)  
[Attachment D - List of Representative Sampling of Tracks and Structures](#)

**12. SUBJECT:     ACCESS SERVICES PROPOSED FISCAL YEAR 2019  
                         BUDGET**

[2018-0207](#)

**RECOMMENDATION**

CONSIDER:

- A. APPROVING local funding request for Access Services (Access) in an amount not to exceed \$90,599,512 million for FY19. This amount includes:
- Operating and Capital funds in the amount of \$88.3 million, and
  - Funds paid directly to Metrolink for its participation in Access' Free Fare Program in the amount of \$2.2 million
- B. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements to implement the above funding programs.

**Attachments:**     [ATTACHMENT A-FY19 Access Program-1  
Presentation](#)



**13. SUBJECT: FY19 AUDIT PLAN**[2018-0336](#)**RECOMMENDATION**

ADOPT the FY19 Proposed Audit Plan.

Attachments: [Attachment A - FY19 Annual Audit Plan](#)

**SUBJECT: GENERAL PUBLIC COMMENT**[2018-0369](#)**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**