

Metro

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



Metro

Agenda - Canceled

Wednesday, March 18, 2020

1:00 PM

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

Finance, Budget and Audit Committee

*Kathryn Barger, Chair
Ara Najarian, Vice Chair
Jacquelyn Dupont-Walker
Paul Krekorian
Mark Ridley-Thomas
John Bulinski, 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 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 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 Public Comment period or at the discretion of the Chair. Speakers will be called according to the order in which their requests are submitted. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

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

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

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

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

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

INFORMATION RELATING TO AGENDAS AND ACTIONS OF THE BOARD

Agendas for the Regular MTA Board meetings are prepared by the Board 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 and is available at www.metro.net or on CD's and as MP3's for a nominal charge.

DISCLOSURE OF CONTRIBUTIONS

The State Political Reform Act (Government Code Section 84308) requires that a party to a proceeding 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 Committee and Board Meetings. 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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Español

323.466.3876 x3

한국어

日本語

中文

русский

ភាសាខ្មែរ

ภาษาไทย

Tiếng Việt

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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

TDD line (800) 252-9040

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

CALL TO ORDER

ROLL CALL

8. SUBJECT: BASIC FINANCIAL STATEMENTS AND COMPONENT AUDITS [2020-0149](#)

RECOMMENDATION

RECEIVE AND FILE the Los Angeles County Metropolitan Transportation Authority's (Metro) basic financial statements and component financial statement audits completed by Crowe LLP (Crowe) as of and for the fiscal year ended June 30, 2019.

Attachments: [Attachment A - SAS 114 Letter Covering Required Communications](#)
[Attachment B - Single Audit Report for FY19](#)
[Attachment C - Federal Funding Allocation Data for the Transportation Operatin](#)
[Attachment D - Transportation Development Act Operations Agency for FY19](#)
[Attachment E - Transportation Development Act Schedule of Revenues, Expens](#)
[Attachment F - State Transit Assistance Special Revenue Fund's Financial Stat](#)
[Attachment G - Crenshaw Project Corporation \(A Component Unit of the LACM](#)
[Attachment H - Service Authority for Freeway Emergencies \(A Component Unit](#)
[Attachment I - Low Carbon Transit Operations Program \(LCTOP\) and Report or](#)

9. SUBJECT: LEASE AGREEMENT WITH NREA-TRC 700, LLC, FOR THE LA METRO TRANSIT CUSTOMER CENTER LOCATED AT 700 W. 7TH STREET, SUITE G80, LOS ANGELES [2020-0081](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to execute a seven (7)-year lease agreement with NREA-TRC 700, LLC ("Landlord") for an LA Metro Transit Customer Center ("TCC") at 700 West 7th Street, Suite G80, Los Angeles (see Attachment A - Lease Location & Plan Draft), commencing approximately August 1, 2020 with a total lease value of approximately \$1.8 million (see Attachment B - Deal Points).

Attachments: [Attachment A - Lease Location and Plan Draft](#)
[Attachment B - Deal Points](#)

10. SUBJECT: ANNUAL FINANCIAL AND COMPLIANCE AUDITS OF METRO AND ITS COMPONENT UNITS

[2020-0156](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed-price Contract No. PS64807000 to Crowe LLP to provide Annual Financial and Compliance Audit Services in the amount of \$1,836,135 effective April 10, 2020, subject to resolution of protest(s), if any.

Attachments: [Attachment A - Procurement Summary .pdf](#)
 [Attachment B - DEOD Summary.pdf](#)

11. SUBJECT: CURRENCY PROCESSING SERVICES

[2020-0164](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Modification No. 3 to Contract No. OP39497-2000 to exercise three (3), one-year options with Los Angeles Federal Armored Services, Inc. to provide currency processing services, in the amount of \$572,000 for Option Year 2, \$629,000 for Option Year 3, and \$686,400 for Option Year 4, for a combined total amount of \$1,887,400, increasing the contract value from \$972,400 to \$2,859,800, and extending the contract term to December 31, 2022.

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

12. SUBJECT: PROPOSITION C BONDS

[2020-0151](#)

RECOMMENDATION

ADOPT a resolution, Attachment A, that:

- A. AUTHORIZES the issuance of bonds by competitive sale to refund the Proposition C Series 2010-A Bonds, consistent with the Debt Policy to achieve approximately \$4.4 million in net present value savings over the three-year life of the bonds;
- B. APPROVES the forms of Notice of Intention to Sell Bonds, Notice Inviting Bids, Supplemental Trust Agreement, Escrow Agreement, Continuing Disclosure Certificate and Preliminary Official Statement on file with the Board Secretary as set forth in the resolution all as subject to modification as set forth in the resolution; and
- C. AUTHORIZES taking all action necessary to achieve the foregoing, including, without limitation, the further development and execution of bond documentation associated with the issuance of the refunding bonds.

(REQUIRES SEPARATE, SIMPLE MAJORITY BOARD VOTE)

Attachments: [Attachment A - Authorizing Resolution](#)

13. SUBJECT: MEASURE R BONDS

[2020-0086](#)

RECOMMENDATION

CONSIDER:

A. Adopting a Resolution, Attachment A, that:

1. Authorizes Measure R Junior Subordinate Sales Tax Revenue Refunding Bonds in one or more series, to refinance one or more of Metro's Transportation Infrastructure Finance and Innovation Act ("TIFIA") Loans to achieve up to \$170 million estimated net present value savings over the 18-year life of the bonds through the negotiated bond sale of up to \$1.75 billion of bonds.
2. Approves the forms of the supplemental trust agreement, second amended and restated trust agreement, junior subordinate trust agreement, supplemental junior subordinate trust agreement, continuing disclosure certificate, preliminary official statement and such other documents as required for the issuance of the bonds, and approves related documents on file with the Board Secretary as set forth in the resolution all as subject to modification as set forth in the Resolution;
3. Approves the form of the bond purchase contract on file with the Board Secretary, that will be entered into with the underwriters as listed in Attachment B hereto; and
4. Authorizes taking all action necessary to achieve the foregoing, including, without limitation, the further development and execution of the bond purchase contract and bond documentation associated with the issuance of the Measure R Junior Subordinate Sales Tax Revenue Refunding Bonds (the "Refunding Bonds").

B. Establishing an underwriter pool as shown in Attachment B that will be used to select underwriters for all future negotiated debt issues through June 30, 2024.

C. Appointing the underwriter team selected for the Refunding Bonds from the above underwriter pool as shown in Attachment B that will be used to market the refunding bonds.

(Requires separate, simple majority Board vote.)

Attachments: [Attachment A - Authorizing Resolution](#)
 [Attachment B - Summary of Underwriter Selection](#)
 [Attachment C - Findings of Benefit](#)
 [Presentation](#)

30. **SUBJECT: FISCAL YEAR 2021 BUDGET DEVELOPMENT UPDATE - [2020-0161](#)**
TRANSIT OPERATIONS, MAINTENANCE, AND ASSET
STATE OF GOOD REPAIR

RECOMMENDATION

RECEIVE AND FILE the Fiscal Year 2021 (FY21) Budget Development Update for Transit Operations, Maintenance, and Asset State of Good Repair (SGR).

- SUBJECT: GENERAL PUBLIC COMMENT [2020-0181](#)**

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