



## Board Report

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### FINANCE, BUDGET AND AUDIT COMMITTEE JUNE 15, 2016

**SUBJECT: FISCAL YEAR 2013-2015 TRIENNIAL PERFORMANCE REVIEW REPORT**

**ACTION: RECEIVE AND FILE FISCAL YEAR 2013-2015 TRIENNIAL REVIEW REPORT**

#### **RECOMMENDATION**

RECEIVE AND FILE the:

- A. Fiscal Year (FY) 2013-2015 **Triennial Performance Review of Los Angeles County Transit Operators and Metro Operations**, summarized in Attachment A; and
- B. FY 2013-2015 Triennial Performance Review of the Los Angeles County Metropolitan Transportation Authority (LACMTA) as the Regional Transportation Agency (RTPA), summarized in Attachment B.

#### **ISSUE**

The Transportation Development Act (TDA) requires Triennial Performance Reviews of Transit Operators and RTPAs and a certification of completion to be submitted to the State by June 30, 2016. The FY 2013-2015 Triennial Performance Review Report is completed and the report presents the results of the review.

#### **DISCUSSION**

The California Public Utilities Code (PUC) Section 99246, included in the Transportation Development Act (TDA), requires LACMTA to conduct an independent performance review of all Los Angeles County Transit Operators receiving TDA Article 4 funds, as well as operators receiving Proposition A funds in lieu of TDA funds. The TDA also requires that regional transportation planning agencies (RTPAs) undergo an independent performance review, focusing particularly on the planning roles. The review is conducted every three years, and the LACMTA must send a Certificate of Completion to the California Department of Transportation (Caltrans), so that the LACMTA may receive and allocate TDA and State Transit Assistance (STA) funds for Los Angeles County.

Under contract to the LACMTA, the firm of Lin Ma & Associates, Inc. independently conducted the FY

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2013-2015 Performance Review of the Transit Operators, Metro Operations and the LACMTA, as the RTPA for Los Angeles County. The following Section 1, describes the scope of the review for Los Angeles County transit operators and Metro operations and a summary of the Findings:

## 1. REVIEW OF LOS ANGELES COUNTY TRANSIT OPERATORS AND METRO OPERATIONS

The following Los Angeles County transit operators were included in this review:

- City of Arcadia
- City of Claremont
- City of Commerce
- City of Culver City
- City of Gardena
- City of La Mirada
- Long Beach Public Transportation Company
- City of Montebello
- City of Norwalk
- City of Redondo Beach
- City of Santa Monica
- City of Torrance
- Foothill Transit
- Antelope Valley Transit Authority
- City of Los Angeles Department of Transportation
- City of Santa Clarita
- Metro Operations

Also, for the first time, included are the Tier 2 operators as follows:

- City of Burbank
- City of Glendale
- City of Los Angeles Department of Transportation - Community DASH Services
- City of Pasadena

The FY 2013-2015 Performance Audit included all State-mandated elements:

- Verification of TDA data collection and reporting requirements;
- Compliance with (PUC) requirements;
- Progress in implementing prior review recommendations;
- Review of TDA performance indicator trend analysis; and
- High level functional area performance review.

In addition, the audit reviewed operators' data submitted for the LACMTA's Transit Performance Measurement Program (TPM). The LACMTA uses the TPM data to allocate transit subsidy funds to

Los Angeles County Transit Operators, including Metro Operations.

### 1.1 Findings

All Transit Operators, including Metro Operations, are in full or partial compliance with TDA requirements for Transit Operators. Transit Operators have addressed the majority of recommendations included within the prior performance review. A summary of the Operator audits is provided in Attachment A.

## 2. REVIEW OF THE MTA AS THE REGIONAL TRANSPORTATION PLANNING AGENCY (RTPA)

The review of the LACMTA as the RTPA included:

- Progress on implementing prior cycle review recommendations;
- Compliance with PUC requirements; and
- Performance results for the LACMTA as the RTPA

### 2.1 Findings:

#### Progress on Implementing Prior Cycle Review Recommendations

The prior review of the LACMTA as the RTPA offered four recommendations for LACMTA's consideration. Three recommendations have been implemented. The fourth recommendation is carried forward as an element of the current review.

#### Compliance with PUC Requirements

The LACMTA is in full compliance with the fifteen PUC requirements for RTPA's that apply specifically to the LACMTA.

#### Performance results for the LACMTA as the RTPA

According to the review, the LACMTA has performed its TDA responsibilities effectively. Notable accomplishments cited in the FY13-FY15 review include:

- Opening of ExpressLanes on the I-110 and I-10 freeways.
- Metro Rail began locking turnstiles in an effort to address lost fare revenue.
- Began construction of the new Division 13 Bus Maintenance and Operations facility across from Union Station
- Metro was named a Top Achiever in Supplier Diversity by the Black EOE Journal.
- The EZ Transit Pass fully transitioned to the TAP program.
- Celebration of the 75th anniversary of Union Station.
- Opening of Online Metro Store and launch of the Go511 app for iPhone, iPad, and Android.
- The Metro Board approved continuation of the ExpressLanes project following its one-year

demonstration period.

- Broke ground on its Crenshaw/LAX Transit Project.
- Metro Motion won an Emmy award for its Union Station 75th Anniversary TV show.
- Metro CEO Art Leahy's departure was announced and new CEO Phillip Washington was hired.
- Metro's Complete Streets Policy was recognized by Smart Growth America's National Complete Streets Coalition.
- Metro introduced new online and real-time technology.

This review also identified areas and opportunities to make the LACMTA, as the RTPA, more efficient and effective. The review offers the following recommendation, which was carried forward from the prior review:

- Enhance coordination between the Office of Management and Budget (OMB) and Planning departments.

A summary of the key findings of the FY 2013-2015 Triennial Performance Review of LACMTA as the RTPA are summarized in Attachment B.

### **FINANCIAL IMPACT**

There are no financial or budget impacts.

### **NEXT STEPS**

As required by PUC §99246, staff will transmit the FY 2013-2015 Triennial Performance Review to the State Department of Transportation. Copies of the report are available upon request. Staff will report on the progress of the recommendations to the LACMTA Board annually.

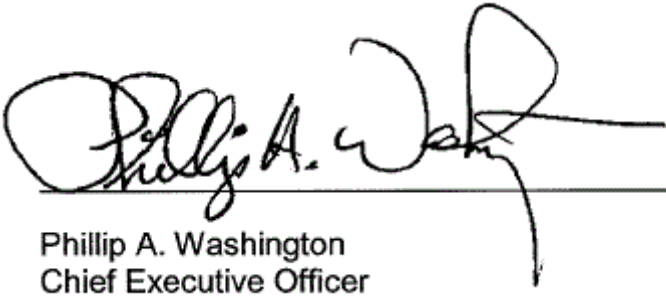
### **ATTACHMENTS**

Attachment A - FY 2013-2015 Performance Review, Executive Summary of Transit Operators and Metro Operation

Attachment B - FY 2013-2015 Performance Review, Executive Summary of LACMTA as the RTPA

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