# **Daily Brief**

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## **Mayor Announces Successful Labor Contract Agreements**

Flanked by Supervisor Molina, Directors Fleming and Katz, union leaders, Metro's negotiating team and myself, Mayor Antonio Villaraigosa today announced that Metro has reached tentative agreements with the UTU, ATU and TCU. This marks the first time in the agency's history that new contracts have been settled before the current labor agreements expire and also the agency's first use of "interest-based negotiations" – which led to a mutually agreeable solution. Union leaders will now present the agreement to their own members for ratification. If ratified, final approval by the Board of Directors is expected at the July Board meeting. Numerous television, print and radio media outlets covered the announcement. Stories are expected to run today and tomorrow.

## State Legislature Budget Vote Expected Tonight

The California State Legislature is expected to vote on the state budget later this evening. The basic framework for transportation funding consists of full allocation of Proposition 42 funds for Fiscal Year 2006-07, allocation of Public Transportation Account (PTA) spillover funds for transit, and increased repayment of past Proposition 42 loans.

The allocation of next year's Proposition 42 funds and PTA spillover revenues to transit agencies has already been approved by the Legislature. However, there is a new element to this proposal which dramatically increases state funds allocated to Proposition 42 repayment. The Governor previously proposed

repaying \$920 million in outstanding Proposition 42 loans. The Legislature recommended reducing this amount. Recent negotiations on this issue have resulted in an increase to the Governor's original proposal – allowing for a total of \$1.4 billion in outstanding loans to be repaid.

Metro Government Relations is working closely with Countywide Planning to fully analyze the impacts of this budget agreement and to identify future Metro actions that may be needed to access these funds.

## California Transportation Commission Proposition 1B Workshop Recap

Today in Sacramento the California Transportation Commission (CTC) held a well-attended statewide Workshop on Proposition 1B -- the \$19.9 billion transportation portion of the state's infrastructure bonds slated to be on the November ballot. At the workshop, Caltrans Director Will Kempton and CTC Executive Director John Barna initiated discussions about the process to be used for the development of performance criteria for project selection. It appears that a yet-to-be-determined initial portion of the \$4.5 billion Corridor Mobility Improvement Program will be the first program to be adopted by the CTC after voter approval. To properly compete for the 60% of this program that will be directed to 13 Southern California counties, the Board of Directors will need to approve highway projects for nomination after the vote on November 7, 2006 but before the end of the calendar year.

## Implementation of SAFETEA-LU Senate Hearing Recap

In Washington, D.C., the Senate Housing and Transportation Subcommittee of the Banking, Housing and Urban Affairs Committee held an oversight hearing on June 27 on the implementation of SAFETEA-LU. The three witnesses that testified were the Acting Federal Transit Administrator Sandy Bushue, the Director of Physical Infrastructure at the Government Accountability Office Kate Siggerud, and the President of the American Public Transportation Association Bill Millar.

Testimony primarily focused on the Federal Transportation Administration's efforts to meet congressional deadlines on rulemakings and issue new program guidance. However, Subcommittee Chairman Wayne Allard (R-CO) asked a series of questions on areas that have received less attention including the Very Small Starts Program (which is designed for programs that cost less than \$50 million), contractor performance assessments, and incentives for transit contractors. Subcommittee Ranking Member Jack Reed (D-RI) also raised questions about the direction of the Small Starts program and the effects of changes to the Jobs Access Reverse Commute (JARC) program on communities.

## National Surface Transportation Policy and Revenue Study Commission Meeting Recap

The first public meetings of the National Surface Transportation Policy and Revenue Study Commission were held in Washington, DC on Monday, June 26 and Tuesday, June 27, 2006. The Commission, which was created by Congress as part of SAFETEA-LU, is examining future surface transportation needs in conjunction with potential funding mechanisms. Many believe that the Commissions' findings will serve as a baseline for the next surface transportation bill.

Among other topics, the Commission discussed the conditions, performance and financing trends in transit. To that end, the Federal Transit Administration (FTA) stated at the hearing that there has been a 23 percent growth in total transit ridership from 1995-2004. Also, FTA stated that federal spending in transit capacity in 2004, relative to 1997 is up 48.8 percent. Meanwhile state and local spending on transit is up 108 percent over that same period of time. FTA also provided a 20-year analysis that projected that \$15.6 billion is needed to maintain transit needs and \$24 billion is needed to improve transit needs.

Metro's Government Relations staff will continue to monitor the Commission's work and to identify its potential impact on our agency. It is believed that there will be a handful of public hearings in the remaining year.

## **Electronic Workers' Compensation Data Transfer Project Completed**

Recently, Metro successfully completed a two-year project required by California state regulations to submit first reports of industrial injuries electronically to the State Department of Workers' Compensation. This new electronic reporting requirement replaces and streamlines the weekly manual submittal of hard copy reports to the state. This project required the review of more than 5,000 claims to ensure the necessary fields were updated specific to state standards. The state regulatory requirement for data transmission errors is 5% and Metro received a score of 0.6%, well under the standard.

#### Of Note

On June 27, 2000, the State restored the three person minimum on the El Monte Busway carpool lane. In passing Assembly Bill 769 (Margett), lawmakers acted to end a CalTrans experiment that permitted two-person carpools on the Busway. Drivers complained that the experiment led to overcrowding in the diamond lane, a slowdown in traffic and a per-hour falloff in the actual numbers

of people who used the Busway during rush periods. The bill went into effect on July 24, 2000.

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