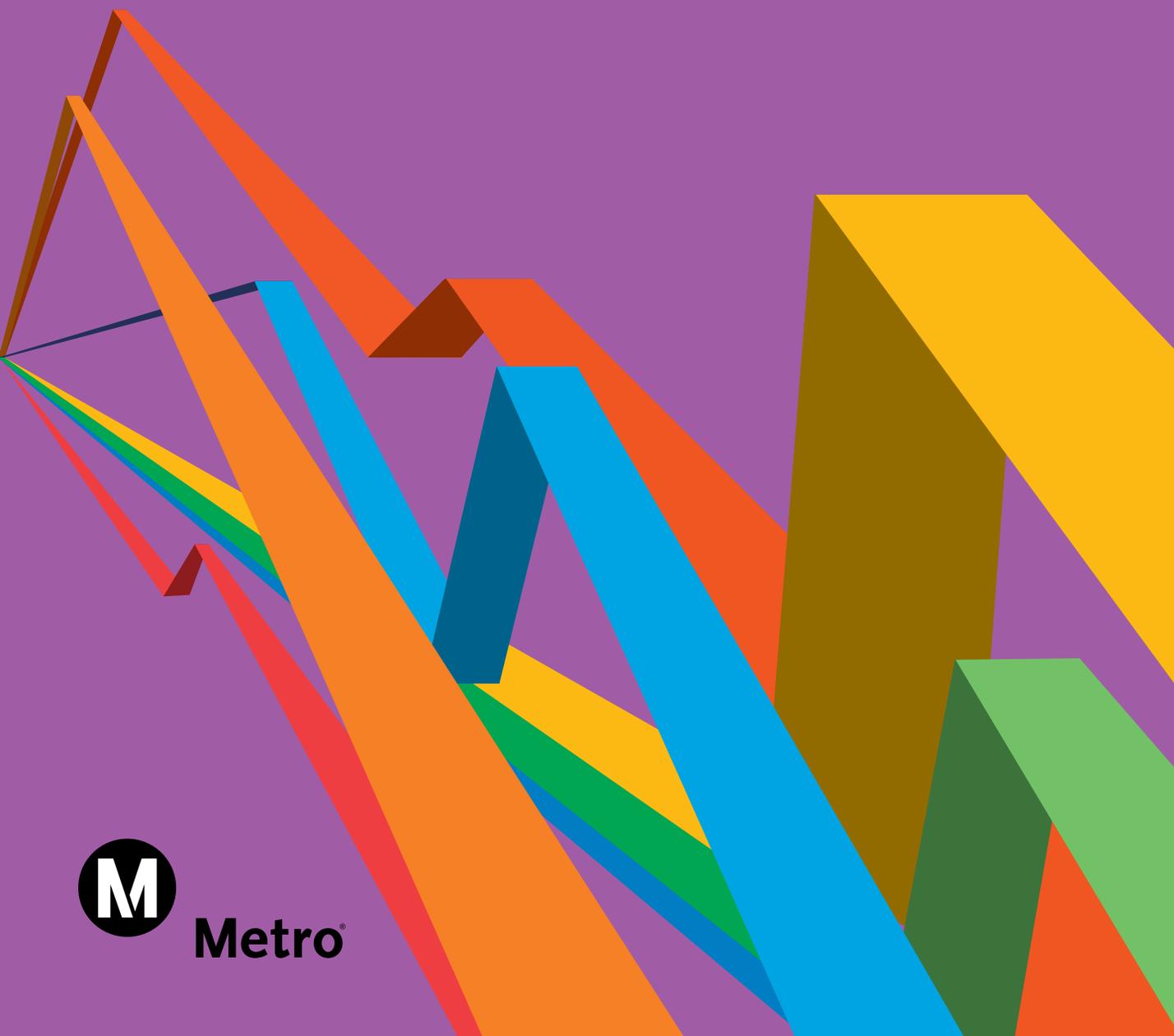


Metro is transforming LA County.

2015 Report to the Community



Metro[®]

Metro is everywhere.

If you live, work or play in LA County, you're a Metro customer. That's because we do so much more than operate bus and rail service. How do we serve 10 million people? Let us count the ways...

- > In April 2015, Metro opened an additional five miles of bus-dedicated lanes along Wilshire Blvd. Bicycles can also use these lanes.
- > We've also put into service 550 brand new buses that are specially designed to make travel easier for disabled passengers who depend on public transit. And Metro's Board exercised another option to purchase an additional 350 40-foot buses.
- > Construction is underway on the pedestrian bridge from the Universal City subway station over busy Lankershim Blvd in the San Fernando Valley. Likewise, a passenger tunnel from the Red Line station in North Hollywood to the Orange Line under Lankershim also is in progress.
- > New and diverse works by nationally renowned artists have been installed at El Monte Station, and currently are being installed at stations on the Foothill Gold Line and Expo Line Phase 2.
- > Metro is an industry leader, not only through the innovation we employ, but also through awards we've been honored to receive in FY2015:
 - Prism Award for 2014 Accounts Payable
 - APTA's Grand Award for Metro ExpressLanes Ad Campaign
 - American Council of Engineering Companies, Los Angeles Chapter, "Champion of Small Business" Award
 - Smart Growth America's National Complete Streets Coalition Recognized the Complete Streets Policy
 - Engineering Achievement Award for the Regional Connector Project
 - 2015 National Planning Excellence Award for a Best Practice – First/Last Mile Strategic Plan
 - Silver Walter R. Graalman Award to National Contract Management Association LA Gateway Chapter
 - California Employer Advisory Council Veterans Employer of the Year Award
 - Municipal Green Building Conference and Expo Award of Recognition for Division 10 LEED Efforts
 - Society of California Archivists 2015 Annual Archives Appreciation Award
 - California Transportation Foundation Honors I-405 and *Eat, Shop, Play* Crenshaw
 - Award for Excellence in Financial Reporting for FY2014 Comprehensive Annual Financial Report (CAFR)
 - Special Libraries Association Transportation Division 2015 Innovation Award for Metro's Digital Resources Librarian
 - Investment Policy Certificate of Excellence Award FY2015
 - Westside Urban Forum Westside Prize for Expo Phase 2
 - SmartRail USA Innovation Award "Project of the Year" for Metro Rail Intelligence-Based Surveillance System (IBSS) – Proof of Concept on the Blue Line
 - Municipal Information Systems Association of California (MISAC) Quality IT Practices Award





We're building the best, most innovative, balanced and customer-focused transportation system in the world.

With our eyes on the horizon, we're building the best, most innovative, balanced and customer-focused transportation system in the world for one of the best regions in the world. And we are excited.

At the same time, we know we are the custodians of valuable taxpayer dollars and we take that role very seriously. It's an awesome responsibility to be frugal, responsible, practical and accountable. And as you read the pages that follow, we hope you will see how we've put that commitment into action.

LA County is the envy of dreamers around the globe. Blue skies. Endless beaches. The best and the brightest minds from around the globe. World-class art, music, food. Top-tier universities. And a transit network – including an amazing freeway system – that we're working to improve every day.

But what will our legacy be?

Will it be continued freeway traffic jams? Or will it be more mobility choices, affordable housing and jobs? It's up to us.

With your help, we are well on our way to untangling the conditions that have created our current traffic challenges. But we realize there is still so much to do.

Thanks to your support of Measure R, we have two rail lines opening next year, three more under construction and massive highway upgrades underway. During the past fiscal year (FY2015) Metro provided LA County's 88 cities and unincorporated areas with more than \$435 million for 2,500 local improvement projects, including those for pedestrian safety, street repairs and traffic enhancements.

In April 2015, we opened an additional five miles of bus-dedicated lanes along Wilshire Blvd. We funded work for the massive I-5 freeway widening between the I-605 and the Orange County line, and the I-5 north from SR-134 toward SR-118.

It's the largest group of modern public works projects in the country and as a region, we should be proud of the courage it took to move forward with more transportation investment, even throughout the challenges and uncertainties prompted by the Great Recession.

While we are building, we are taking our citizens where they need to go. We had 450 million boardings on our buses and trains in FY2015, at the same time nearly 34 million trips occurred on the I-110 and I-10 freeway ExpressLanes. We managed more than \$20 million in projects for bikes and pedestrians. We provided about \$200 million in discounts to low-income commuters, students, seniors and the disabled communities. We also provided significant financial support for other key transit operators, including Metrolink and municipal operators throughout LA County.

And so I invite you to take a look, in the pages that follow, at what we are doing and how we are doing it. We know you'll agree that there is a lot for LA County to be proud of. And so much to look forward to as we continue to transform the region through transportation.

A handwritten signature in black ink, appearing to read "Phillip A. Washington". The signature is stylized and fluid.

Phillip A. Washington
Chief Executive Officer

Metro is accountable.

we refinanced
\$192
million in bonds

which resulted in saving
Metro nearly
\$31
million in net present value
over the life of the bonds

We're the custodians of billions in taxpayer dollars and we take that role very seriously. It's our responsibility to be frugal, responsible, practical and accountable.

- > In FY2015, we adopted a balanced \$5.4 billion budget. It included a continued commitment to the largest highway and rail building program in the United States, bus headway improvements, increased rail operating hours and \$294.9 million in maintenance expenditures to keep your system running in top form.
- > We secured more than \$3 billion in federal support – including approximately \$2 billion in federal New Starts money.
- > Metro received the two largest TIGER grants awarded in California: more than \$22 million combined for the Eastside Access Improvement Program, and the Willowbrook/Rosa Parks Station that serves the Blue Line, Green Line and numerous bus lines. Together, these grants – which were aggressively pursued by transit agencies across the country – represent another historic vote of confidence in Metro by the federal government.
- > Metro's Board approved a new fare policy that includes, for the first time, a two-hour period of free transfers on Metro's bus and rail system.
- > We continued to work closely with the White House and Congress to implement our America Fast Forward Transportation Bonds program, which enjoys the support of more than 200 mayors nationwide and more than 250 Chambers of Commerce from all 50 states, including the U.S. Chamber of Commerce.
- > In an effort to secure additional funding, Measure R and Props A and C funds are used as local matches for federal grants. Leveraging local dollars provides even more opportunities for mobility enhancements in our region.
- > To ensure that monies from Measure R and Props A and C are used to accomplish the work that voters approved, use of the funding is closely monitored and audited by the Independent Taxpayers Oversight Committee, and the Independent Citizens Advisory and Oversight Committee, respectively. Both committees meet at least twice each year.
- > Further, local cities and the county are audited annually to ensure compliance with Local Return Guidelines.
- > Metro's credit ratings as of June 30, 2015, AAA/Aa2 for Proposition A and Measure R bonds, AA+/Aa3 for Proposition C bonds and A/A1 for General Revenue Bonds, reflect the history of local support for public transit evidenced through the voter approval of sales tax revenues provided by Proposition A, Proposition C, and the approval of Measure R in 2008. The ratings also recognize Metro's record of fiscal responsibility and success in managing capital projects.
- > To review Metro's audited financial statements, visit metro.net/budget.

Metro is transformative.

in just
25
years

we have
created
87
miles of
new rail

Today, Metro moves 1.4 million customers per weekday. And tomorrow? We're building a more robust, multimodal system that aims to transform the way we move in and around LA County.

- > We're adding 235 new light rail cars to our system, toward a future total of 337, to ensure the safety and comfort of our customers, and to serve new rail lines opening in 2016.
- > We've also put into service 550 brand new buses that are specially designed to make travel easier for disabled passengers who depend on public transit. And Metro's Board exercised another option to purchase an additional 350 40-foot buses.
- > On the planning front, Caltrans and Metro released the Draft Environmental Impact Report/Statement for the SR-710 North transportation corridor improvement project. The Draft outlines the benefits, impacts and recommended mitigation for a number of alternatives leading to improved mobility and access in east/northeast Los Angeles and western San Gabriel Valley.
- > For the I-710 South, two revised alternatives were released in June 2015, addressing the span from the Ports of LA to the SR-60 Pomona freeway, to improve air quality and congestion and assess alternative green goods movement technologies.
- > We also released the High Desert Corridor Draft Environmental Impact Report to the public for comment. It's one of the most comprehensive transportation plans ever proposed for the north county: a multimodal highway alternative from Palmdale to Victorville, linking SR-14 in LA County and SR-18 in San Bernardino County. Possible options include green energy production, bikeways and links to high-speed rail.
- > Metro started construction on three rail projects, the Crenshaw/LAX, Purple Line Extension and the Regional Connector, which will expand Metro Rail reaching even more destinations throughout LA County.
- > Our *Eat, Shop, Play* construction impact mitigation program launched this year to increase business visibility and seek stakeholder pledges to support businesses along construction corridors. A new Business Interruption Fund provides financial support to small mom-and-pop businesses directly impacted by construction, and the Crenshaw/LAX Business Solution Center offers business and other technical assistance.
- > In 2016, we'll open new segments of the Foothill Gold Line from Pasadena to Azusa and the Expo Line from Culver City to Santa Monica.

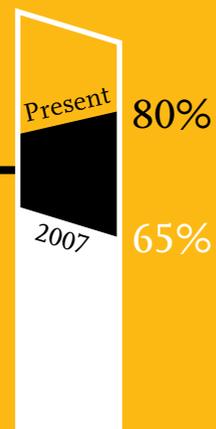
Metro is maintenance-minded.

At the same time we're building, we continue to be careful stewards of the assets we have in service. Our maintenance and improvements spending grew 25 percent last year, from \$328 to \$411 million.

- > After 15 years of deferred maintenance, we're in the midst of a \$1.2 billion overhaul of the Blue Line. The renovation will span several years and bolster reliability, comfort and safety for our customers.
- > Green Line stations are being refurbished. New paint to brighten the stations and signal system repairs to create a smoother transition for trains coming in and out of stations are part of our plan.
- > Metro buses are cleaner, according to our customer surveys and feedback from our Service Council members.
- > In terms of reliability, our buses now travel many more miles before needing mechanical assistance: from a 3,000 mile span in 2008 to more than 4,500 miles in January 2015. (And fewer buses out of service means better service for our customers.)
- > Metro Rail's on-time performance is above 99 percent for the Red and Purple Line subways and above 98 percent for light rail, which often operates at street level and follows the constraints of traffic rules.
- > Our redesigned TAP vending machine screens make it easier for our customers to purchase and reload regular and reduced fares.
- > The recently completed I-405 Sepulveda Pass freeway improvement project is paying off. A study comparing traffic flow on the I-405 before and after the project's numerous freeway improvements found a drop in the number of reported accidents; the afternoon weekday rush hour window is two hours less; northbound vehicle capacity is 15 percent greater and person capacity is 30 percent greater; and overall travel times between the I-10 and US-101 have improved.
- > Work on the massive I-5 widening project between the I-605 and the Orange County Line continues. This key Measure R road project will significantly improve traffic for automobiles, as well as the many trucks traveling from the Ports of LA and San Pedro.

+15%

on-time performance improvement for buses from 2007 – Present



Metro is safer.

The safety and security of our patrons and our employees are our number one priority. We're determined to foster a positive environment for mobility in its many forms. Among our efforts and results this year:

- > To help patrons understand and practice safety around transit, Metro's Transit Safety Team reached out to more than 315,400 transit users within LA County.
- > Simultaneously, the award-winning Metro Safety Ambassadors – a 12-year-old program made up of retired Metro operators at grade crossings along the Blue and Expo Lines – encouraged safe behavior and helped patrons along their journey.
- > Protecting our bus operators and patrons is a key effort. We began receiving new buses equipped with driver's compartments protected by polycarbonate safety barriers, and we're continuing to install CCTV security cameras on buses. When people view themselves on video monitors, they are less likely to commit crimes.
- > Metro became one of the first transit agencies in the country to attack the problem of sexual harassment with a comprehensive campaign involving communications, security, planning, the LASD and the community advocacy organization Peace Over Violence.
- > Metro also launched the "Don't Be Silent" public information and law enforcement campaign to combat human trafficking. The effort aims to teach transit patrons how to identify and report potential incidents.
- > As we build, repair and improve our fleet and our system, on-the-job safety requires constant diligence. We're proud to report that the number of reported industrial injuries was reduced by nine percent, saving the agency an estimated \$5.3 million in future disability, medical and legal expenses.



—\$1.8 million in savings

The number of claims filed against Metro by third parties for bodily injury and property damage caused largely by bus and rail accidents decreased by four percent from the previous year, resulting in an estimated savings of \$1.8 million in future payments.

Metro is green.

ation's Largest Clean-Air Fleet

28%
reduction in
water usage

more than
100
million gallons
of water saved

Sustainability is good for the planet *and* taxpayer dollars. Metro's energy conservation, sustainable building practices, investment in renewable energy and recycling of all manner of material saves money, fossil fuels and precious resources.

- > In FY2015, we completed an agency-wide rollout of the most comprehensive Environmental Management System (EMS) in the transit industry, a set of operational procedures designed to ensure compliance with federal, state and local environmental regulations, as well as to facilitate environmental stewardship at all Metro facilities.
- > Metro's EMS has been rated by an independent Columbia University study as the best certified transit EMS in the country. Initiatives and projects developed and implemented through the EMS have resulted in more than \$2 million in annual cost savings, and the EMS has shifted the paradigm for how our frontline staff participates in and initiates environmental compliance efforts.
- > More than 6,000 Metro employees have been trained to proactively minimize environmental liabilities. The Metro Environmental Training Institute has been cited by the National Transit Institute as a national model for environmental-related training content and delivery.
- > Under our Energy Management and Renewable Energy program, we have installed more than two megawatts of solar panel installations at five facilities, with two more systems under construction.
- > Our total fleet air pollutant emissions in 2014 were 55.6% lower as compared to 2011, and 70% lower as compared to 2008.
- > Metro recently took delivery of five electric buses in our commitment to build a balanced transportation system.
- > Our new Division 13 Bus Maintenance Facility is a prime example of beautiful and sustainable design. Division 13 is expected to earn a LEED-Gold ranking from the Leadership in Energy and Environmental Design program, adding to our collection of eight LEED designated structures.

Metro is innovative.



500,000

Go Metro app, now
downloaded more than
500,000 times

The world is changing fast, and LA County is, too. Southern California always has been on the cutting edge; Metro aims to be just as innovative as the region we serve. Among our ground-breaking efforts:

- > We helped our patrons bridge the first and last legs of their transit-based trips through a partnership with Zipcar to provide shared cars for hourly or daily use at 10 Metro park-and-ride locations.
 - > As one first/last mile solution, Metro's Board approved a Countywide Bikeshare program, which plans to launch approximately 80 stations and 1,000 bikes by 2016 as part of the downtown LA pilot.
 - > This year, we brought back speed dating on the Red Line, participated in dinner tours throughout LA County and hosted a holiday scavenger hunt. We also strategically partnered with museums and cultural destinations such as Grand Park, FYF Fest, Santa Monica Museum of Art, The Music Center, Hollywood Pantages and Los Angeles Philharmonic to promote public transportation.
 - > Twitter rider alerts keep our customers apprised of real-time changes, improvements, delays and rider tips for bus and rail service. We also have service alerts for elevator closures at rail stations, which are so important to our wheelchair patrons.
 - > *The Source* and *El Pasajero* blogs offer readers special offers, destination tips and timely news about important transportation initiatives throughout the country and around the world.
 - > Metro proudly furthered the reach of CicLAvia and other Open Street events, providing \$2 million of grant funding annually for the wildly popular one-day, car-free events around LA County.
- These events have increased ridership on Metro Rail lines and increased sales for local businesses on the day of the event.
- > Metro's Joint Development Program is a major player in the changing landscape of LA County. Metro projects will provide 2,017 new homes, with 31 percent offered as affordable housing.
 - > We launched a comprehensive Small Business Prime program to aid these companies in competing as prime contractors on Metro projects. In tandem, Metro launched Metro Connect, a program offering practical advice and training to small businesses to help them succeed in the competition process.
 - > Following Metro's successful work with Congresswoman Karen Bass (D-CA) to reform federal Local Hire rules, the U.S. Department of Transportation launched a one-year pilot program to permit Local Hiring for projects funded through the Federal Highway Administration and Federal Transit Administration.
 - > We launched the Disabled Veterans Business Enterprise, a program to expand contracting for businesses owned by disabled veterans and help veterans successfully bid on projects. We also created a new VetsGo511 website to provide resources for employment, education, healthcare and transportation options to LA-area veterans.

Metro is buzz-worthy.

Sixty-four percent of Americans now own a smartphone and 73 percent use social media. Metro has made a major commitment to having real-time conversations with our riders. Metro's social media channels generate over 1.5 million impressions per month.

"I'm on Gold Line train 748A and the conductor is the nicest, happiest person and he always makes me smile. Please tell him thx."

"Thanks for the heads up! Was prepared and caught my train."

"Today's bus commute: perfect! New bus not overly cold, quiet passengers and arrived at work early! Thanks for the ride!"

"The new website design for the TAP card is awesome."

"Thanks for Gold Line arrival boards at Red/Blue line exit. Union Station just got better!"

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Second Supervisorial District*

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