

Wednesday, June 20, 2012 2:30 PM

Revised Agenda

Finance, Budget and Audit Committee Meeting

One Gateway Plaza
3rd Floor Board Room

Call to Order

Directors

Mel Wilson, Chair
Ara Najarian, Vice Chair
John Fasana
Gloria Molina
Mark Ridley-Thomas
Michael Miles, non-voting member

Officers

Arthur T. Leahy, Chief Executive Officer
Michele Jackson, Board Secretary
Karen Gorman, Ethics Officer
Karen Gorman, Acting Inspector General
County Counsel, General Counsel



Los Angeles County
Metropolitan Transportation Authority

Metro

METROPOLITAN TRANSPORTATION AUTHORITY BOARD RULES (ALSO APPLIES TO BOARD COMMITTEES)

PUBLIC INPUT

The meetings of the Metropolitan Transportation Authority Board are open to the public. 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 up to 5 minutes 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 prior to the start of the meeting.

The public may also address the MTA on non-agenda items within the subject matter jurisdiction of the MTA during the public comment period, which will be held at the end of each meeting. Each person will be allowed to speak for one minute and may speak no more than once during the Public Comment period. Public Comment will last a maximum of 30 minutes, or as otherwise indicated by the Chair. Speakers will be called according to the order in which the speaker request forms are received until the Public Comment period has expired. 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.

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.mta.net
TDD line (800) 252-9040

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

17. RECEIVE report from the Chief Financial Services Officer.
18. ADOPT the **FY13 Proposed Audit Plan**.
19. CONSIDER:
 - A. approving the **Southern California Regional Rail Authority (SCRRA) FY 2012-13 Budget, and the Los Angeles County Metropolitan Transportation Authority's (LACMTA) FY 2012-13 Commuter Rail Program contribution of \$63,935,488**, consisting of \$46,134,700 for Operations; \$15,712,300 for Rehabilitation and Renovation; and \$2,088,488 for Right-of-Way (ROW) Security; and approving the programming of funds for SCRRA as follows:
 1. \$54,088,488 in new Proposition C 10% funding for Operations, Rehabilitation/Renovation and Right-of-Way Security for FY 2012-13;
 2. \$9,847,000 in Measure R 3% prior year carryover funds, for the Rehabilitation and Renovation program for FY 2012-13;
 - B. approving \$4,100,000 as LACMTA's first payment towards OCTA's rehabilitation and renovation program, as consideration for the Rotem rolling stock acquisition;
 - C. amending the LACMTA FY 2012-13 Budget, adopted in May 2012, to reflect the programming actions in Recommendations A and B;
 - D. extending the lapsing date one year, from June 30, 2012 to June 30, 2013, for \$4,944,092 in FY 2009-10 Proposition C 10% funds previously allocated to SCRRA for the FY 2009-10 Rehabilitation/Renovation Program;
 - E. approving the reprogramming of \$261,633 in project savings from the Lang Siding project, to the Broadway/Brazil grade crossing improvement project;
 - F. approving for FY 2012-13, the revised Transfers to Other Operators payment rate of \$1.10 per boarding to LACMTA; and

(Continued next page)

(Item 19 – Continued)

- G. authorizing the Chief Executive Officer or his designee to negotiate and execute all necessary agreements between LACMTA and the SCRRA for the approved funding.

20. CONSIDER:

- A. approving \$1.521 billion in **FY2013 Transit Fund Allocations for Los Angeles County jurisdictions, transit operators and Metro operations**. These allocations comply with federal and state regulations and MTA Board policies and guidelines:
 - 1. \$59.9 million in Planning and Administrative allocations of Transportation Development Act, Proposition A, Proposition C and Measure R;
 - 2. \$1.055 billion in Bus Transit Subsidies;
 - 3. \$12.2 million in Proposition A Incentive Programs;
 - 4. \$393.6 million in Proposition A Local Return, Proposition C Local Return, Measure R Local Return, Transportation Development Act Article 3 (Pedestrian and Bikeways) including a one-time supplemental allocation of \$2.5 million from unallocated fund reserves, and Transportation Development Act Article 8 (Street and Highways);
- B. authorizing the Chief Executive Officer to adjust FY2013 Federal Section 5307 allocations upon receipt of final apportionment from the Federal Transit Authority and amend FY2013 budget as necessary to reflect the aforementioned adjustment;
- C. approving fund exchange in the amount of \$9.5M of Santa Monica's Blue Bus' FY2013 Federal Section 5307 formula share allocation with Metro's TDA Article 4 revenues, to be adjusted upon receipt of final apportionment and will be disbursed in FY2014;
- D. adopting a resolution designating TDA and STA fund allocation compliance to the terms and conditions of the allocation; and

(Continued next page)

(Item 20 – Continued from previous page)

- E. upon approval, authorizing the Chief Executive Officer to negotiate and execute all necessary agreements to implement the above funding programs.

21. CONSIDER:

- A. adopting findings and recommendations for using **FY 2012-13 Transportation Development Act (TDA) Article 8 funds** estimated at \$18,449,643 as follows:

1. In the City of Avalon there are unmet transit needs that are reasonable to meet, and the City of Avalon chooses to use \$106,643 of their Article 8 funds for their transit services; therefore, TDA Article 8 funds will be used to meet the unmet transit needs;
2. In the Antelope Valley, which includes the Cities of Lancaster and Palmdale, and in the Los Angeles County Unincorporated areas of the Antelope Valley, transit needs are met using other funding sources, such as Proposition A and Proposition C Local Return; therefore, their transit needs can be met with other funding sources. Hence, TDA Article 8 funds in the amount of \$4,371,055 and \$4,573,225 (Lancaster and Palmdale, respectively), may be used for street and road purposes and/or transit;
3. In the Santa Clarita Valley, which includes the City of Santa Clarita and the Los Angeles County unincorporated areas of the Santa Clarita Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return, and TDA Article 8 funds in the amount of \$5,322,904 for the City of Santa Clarita may be used for street and road and/or transit purposes, as long as their transit needs continue to be met;
4. In the Los Angeles County Unincorporated areas of North County, the areas encompass both the Antelope Valley and the Santa Clarita Valley, the allocation is \$4,075,816 and may be used for street and road purposes and/or transit; and

(Continued next page)

(Item 21 – Continued from previous page)

- B. adopting a resolution making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

22. CONSIDER:

- A. establishing **a new Proposition C Capital Reserve Account** for the City of Bell for their Florence/Bear Video Detection and Traffic Signal Improvements project in the amount of \$91,158;
- B. amending the existing Proposition C Capital Reserve Accounts for 1.) the City of Bell to change the street rehabilitation project to **add** the intersection rehabilitation project which also includes improvements to Slauson Bridge, this request changes the original amount to add an additional ~~\$173,000~~ **\$273,000** for a total of ~~\$273,000~~ **\$373,000**; 2.) the City of Redondo Beach to add an additional \$1 million for a total of \$1,650,000 to the existing Reserve Account; and
- C. authorizing the Chief Executive Officer to negotiate and execute all necessary agreements between Los Angeles County Metropolitan Transportation Authority (LACMTA) and the Cities for their Capital Reserve Accounts as approved.

23. ADOPT a resolution, authorizing:

- A. the Chief Executive Officer and other Authorized Officers to negotiate and execute the agreements between the Crenshaw Project Corporation ("CPC") and the U.S. Department of Transportation ("USDOT"), related to the CPC entering into the \$546 million **Transportation Infrastructure Finance and Innovation Act ("TIFIA") loan for the Crenshaw/LAX Transit Corridor Project**; and
- B. execution of documents and agreements with the USDOT for a TIGER II Discretionary Grant that will fund the \$20 million credit charge on the loan.

(REQUIRES SEPARATE, SIMPLE MAJORITY BOARD VOTE)

24. **ANTONOVICH, NAJARIAN, AND RIDLEY-THOMAS MOTION** that the MTA's Inspector General retain a consultant, funding to be determined, to:
- a) evaluate the organizational structure of MTA;
 - b) identify potential duplication of effort;
 - c) evaluate non contract employee titles commensurate with duties;
 - d) review span of control and the flattening of the agency; and

Therefore move that MTA's consultant report back to the Executive Management Committee and the full Board in ~~September~~November 2012 with:

- a) a comprehensive evaluation of non contract FTEs, including recommendations for **addressing** the MTA organizational structure, ~~including~~ specifically duplication of efforts, silos, salary and title structure and flattening; and
 - b) provide a sound business-oriented Organizational Efficiency Plan.
25. RECEIVE AND FILE report on the proposed **excess liability insurance program**.

26. RECEIVE AND FILE report on **budget themes and performance metrics.**
27. RECEIVE **report of the Chief Executive Officer.**
28. RECEIVE oral **Federal/State Affairs update.**

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

