

Wednesday, March 20, 2013 1:00 PM

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# Agenda

## Finance, Budget and Audit Committee Meeting

One Gateway Plaza  
3<sup>rd</sup> Floor Board Room

### Call to Order

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#### Directors

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Gloria Molina, Chair

Mel Wilson, Vice Chair

Diane DuBois

Richard Katz

Pam O'Connor

Michael Miles, non-voting member

#### Officers

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Arthur T. Leahy, Chief Executive Officer

Michele Jackson, Board Secretary

Karen Gorman, Ethics Officer

Karen Gorman, Acting Inspector General

County Counsel, General Counsel



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

## **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](http://www.mta.net)

TDD line (800) 252-9040

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

11. RECEIVE report from the **Chief Financial Services Officer**.
12. RECEIVE report from the **Chief Executive Officer**.
13. RECEIVE **oral Federal/State Affairs update**.
14. RECEIVE **oral report on Project Budget and Schedule Status**.  
(ALSO ON CONSTRUCTION COMMITTEE)
15. CONSIDER:
  - A. **adopting the Debt Policy**;
  - B. **adopting the Interest Rate Swap Policy**; and
  - C. receiving and filing the Annual Report on Interest Rate Swaps.
16. CONSIDER:
  - A. **adopting a resolution, that approves the selection of Wells Fargo Bank, National Association ("Wells") and forms of a revolving credit agreement, a second supplemental subordinate trust agreement and promissory notes**;
  - B. authorizing the Chief Executive Officer to **enter into a revolving line of credit for a commitment amount of \$75 million for a three-year term at an estimated cost of \$1,530,000**, including legal fees and other related expenses; and
  - C. authorizing the Chief Executive Officer to negotiate with each successfully ranked proposer if unable to reach agreement with the recommended proposer for agreements having the terms and estimated costs.

(REQUIRES SEPARATE, SIMPLE MAJORITY BOARD VOTE)

17. CONSIDER:
  - A. supporting the renewal of the proposed **LA Fashion District 2014-2018 Business Improvement District (“BID”) in the City of Los Angeles and the resulting assessments on properties within the District boundaries owned by LACMTA**; and
  - B. authorizing the Chief Executive Officer or his delegate to sign any necessary petition and cast any subsequent ballots in support of the BID and property assessments.
18. RECEIVE AND FILE **the Los Angeles County Metropolitan Transportation Authority’s basic financial statements and component financial statement audits completed by KPMG LLP for the fiscal year ended June 30, 2012.**
60. ISSUE the appropriate notices to enable an **amendment to the Measure R Expenditure Plan to advance “Funds Available Beginning” dates for transit corridor projects as shown in the Proposed Measure R Expenditure Plan.**
19. RECEIVE AND FILE **evaluation of alternative financing opportunities.** [HANDOUT]
20. RECEIVE AND FILE **report on progress on budget themes and performance metrics.** [HANDOUT]
21. RECEIVE AND FILE **the second quarter financial performance for Fiscal Year 2013 budget.** [HANDOUT]
22. RECEIVE AND FILE **report on the proposed property insurance program for All Risk Property and Boiler and Machinery policies.**
23. RECEIVE oral **update on FY14 Budget Development.**

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