



Metro

Metropolitan Transportation Authority

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PLANNING & PROGRAMMING COMMITTEE

July 19, 2006

FINANCE & BUDGET COMMITTEE

July 19, 2006

SUBJECT: FISCAL YEAR 2007 TRANSIT FUND ALLOCATIONS

**ACTION: APPROVE FISCAL YEAR 2007 TRANSIT FUND ALLOCATIONS,
APPROVE TWO-YEAR LAG ELIMINATION PROCEDURE, AND ADOPT
RESOLUTION FOR TDA AND STA TRANSIT FUNDS**

RECOMMENDATIONS

- A. Approve methodologies and assumptions, including all changes and adjustments, used for the Fiscal Year (FY) 2007 Transit Fund Allocations, as determined by staff in accordance with federal, state and local requirements, as well as our policies and guidelines and prior Board actions, and as identified in Attachments A through K.
- B. Approve the procedure outlined in Attachment J to eliminate the two-year lag between the data year and the allocation year, for operators adding service eliminated by another operator.
- C. Approve \$1.8 billion in FY 2007 Transit Fund Allocations, as shown in Attachments A through I, for Los Angeles County jurisdictions, transit operators, and Metro Operations. These allocations include the following:
 1. \$578.2 million in Transportation Development Act (TDA) Article 4, TDA interest, State Transportation Assistance (STA), STA Interest and Proposition A 40% Discretionary fund allocations, as shown in Attachment A;
 2. \$30.7 million in Proposition C 40% Discretionary fund allocations for the Bus Service Improvement Program (BSIP), Foothill Mitigation Program, the Transit Service Expansion (TSE) Program and the Base Service Restructuring Program, as shown in Attachment B;
 3. \$17.4 million in Proposition C 40% Discretionary fund allocations for the Municipal Operator Service Improvement Program (MOSIP), as shown in Attachment C-1;
 4. \$6 million in proposition C 40% Discretionary fund allocations and administrative procedures to meet increase in operators' fuel costs as shown in Attachment C-2.
 5. \$18.7 million in TDA Article 8 fund allocations, as shown in Attachment D;

6. \$296.6 million in Proposition A and Proposition C Local Return and TDA Article 3 fund allocations, as shown in Attachment E;
 7. \$13.1 million in Proposition A Incentive Program fund allocations, as shown in Attachment F;
 8. \$30.7 million in Proposition C 5% Security fund allocations, as shown in Attachment G;
 9. \$183.8 million in Federal Transit Act Section 5307 Urban Formula capital fund allocations, as shown in Attachment H; and
 10. \$3.9 million reprogramming of 15% Capital Discretionary Funds Section 5307, as shown in Attachment I.
- D. Adopt a resolution (Attachment P) designating TDA and STA fund allocation compliance to the terms and conditions of the allocation.
- E. Authorize the Chief Executive Officer, or his designee, to negotiate and execute all necessary agreements for funding approved.

ISSUE

Each year, transit operating and capital funding consisting of federal, state and local revenues are allocated to Los Angeles County jurisdictions, transit operators, and Metro Operations for programs, projects and services. The Board of Directors needs to approve allocations for FY 2007 before funds may be disbursed.

POLICY IMPLICATIONS

The Los Angeles County Metropolitan Transportation Authority, as the Regional Transportation Planning Entity for Los Angeles County, is responsible for planning, programming and allocating transportation funding to Los Angeles County jurisdictions, transit operators, and Metro Operations. Once the Board of Directors approves funding allocations, Los Angeles County programs, projects and services may be implemented, operated and continued with funding made available for disbursement immediately thereafter.

OPTIONS

No alternatives were considered as federal, state and local requirements, as well as our policies and guidelines and prior Board actions, require us to annually allocate funding to Los Angeles County jurisdictions, transit operators, and Metro Operations for programs, projects and services. Allocation methodologies and assumptions comply with federal, state and local requirements, as well as our policies and guidelines and prior Board actions.

FINANCIAL IMPACT

A total of \$ 1.8 billion in federal, state and local transportation funding is recommended for approval. FY 2007 Transit Fund Allocations are based on revenue estimates developed for the Board-adopted FY 2007 Budget. Implementation of the two-year lag will create a funding shortfall of \$378,874 for Metro Bus which will be funded with Proposition C 40% fund balance.

BACKGROUND

The recommended FY 2007 Transit Fund Allocations were developed according to federal, state and local requirements, as well as our policies and guidelines and prior Board actions. Staff has reviewed the recommended allocations with Los Angeles County jurisdictions, transit operators, and Metro Operations through the Technical Advisory Committee (TAC), the Bus Operators Subcommittee (BOS) and the Local Transit Systems Subcommittee (LTSS). Staff also has reviewed the methodologies and assumptions used for the recommended allocations with the TAC, the BOS and the LTSS. The TAC, the BOS and the LTSS all formally adopted the recommended allocations in May and June 2006. At their June 20, 2006 meeting, the BOS adopted the two-year lag policy as well as the final version of the funding marks. At that meeting, the BOS also adopted the following motion: The BOS moves that Metro, when it receives any additional state transit funds, distribute those funds via the existing funding formulas as soon as they are received instead of waiting until a mid-year reallocation or the following fiscal year.

NEXT STEPS

After the Board of Directors approves the recommended allocations and adopts the resolution, staff will work with Los Angeles County jurisdictions, transit operators, and Metro Operations to ensure the proper disbursement of funds.

ATTACHMENTS

- A. FY 2007 Los Angeles County Funding Estimates, FY 2007 Bus Transit Funding Percentage Shares, FY 2007 Included and Eligible Operators Estimated Funding Levels;
- B. FY 2007 Summary of Transit Subsidies
- C. C-1: FY 2007 Proposition C 40% Discretionary Municipal Operator Transit Service Improvement Program
C-2: FY 2007 Proposition C 40% Discretionary Fuel Increase Mitigation Allocation
- D. FY 2007 TDA Article 8 Apportionments
- E. FY 2007 Allocations of Proposition A and Proposition C Local Return and TDA Article 3
- F. FY 2007 Proposition A 40% Discretionary Incentive Program
- G. FY 2007 Transit Security Funding Allocations
- H. FY 2007 Capital Allocation Procedure, FY 2007 Projects – 15% Discretionary and 1% TEA, Section 5307 Allocations
- I. Reprogramming of 15% Capital Discretionary Fund Section 5307
- J. Procedure describing the methodology to eliminate the two-year lag between the data and first funding year
- K. Summary of Methodologies and Assumptions Used for the FY 2007 Transit Fund Allocations


- L. Summary of TDA Article 4 Capital Reserve Balances
- M. Summary of STA Capital Reserve Balances

- N. Summary of Municipal Operator Service Improvement Program Reserves
- O. Proposition A and Proposition C Local Return Capital Reserves
- P. Resolution for TDA and STA Fund Allocations

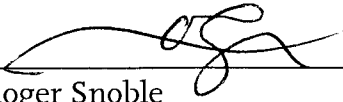
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LOS ANGELES COUNTY FUNDING ESTIMATES
FISCAL YEAR 2007

FUNDING PROGRAM				FY2007
TDA				
	Estimated Gross Receipts			338,824,713
	carryover			12,010,625
	(=) Net Revenues			350,835,338
TDA Planning				3,508,353
Administration				2,491,647
Article 3	Pedestrian & Bikeways	2.00%		6,896,707
Article 4	Bus Transit	92.57%		319,218,555
	Bus Transit carryover			-
	Interest on Article 4			
		Subtotal:		319,218,555
Article 8	Transit/S & H	5.43%		18,720,076
PROPOSITION A				
	Estimated Gross Receipts			667,502,121
	carryover			24,541,417
	(=) Net Revenues			692,043,538
Administration		5%		34,602,177
Local Return		25%		164,360,340
Rail Development		35%		230,104,476
Discretionary		40%		
	Transit	95% of 40%		249,827,717
	- Prop A capped at CPI			191,066,149
	- Prop A growth over CPI			58,761,568
	Incentive	5% of 40%		13,148,827
PROPOSITION C				
	Estimated Gross Receipts			667,586,673
	carryover			24,646,564
	(=) Net Revenues			692,233,237
Administration		1.5%		10,383,499
Rail/Bus Security		5%		34,092,487
Commuter Rail		10%		68,184,974
Local Return		20%		136,369,948
Freeways/Highways		25%		170,462,435
Discretionary		40%		272,739,895
STA				
	Estimated Gross Receipts			67,889,862
	Reserves/carryover			4,502,864
	(=) Net Revenues			72,392,726
Bus Operators	PUC 99314 Rev Base Share			35,259,032
	carryover			2,314,953
	Interest			900,000
		Subtotal:		38,473,985
Rail	PUC 99313 Population Share			32,630,830
	carryover			2,187,911
	Interest			
		Subtotal:		34,818,741
Total Funds Available				1,808,404,839

NOTE: Proposition A, Proposition C and TDA /STA Tax Revenues are based on assumptions prepared by MTA's Budget Office. The revenue estimates include FY 2005 carryover/deficit.

**MTA
FY07 INCLUDED & ELIGIBLE OPERATORS ESTIMATED FUNDING LEVELS**

	TDA & STA % Shares	TDA Article 4 plus interest	Rev Base Share plus interest	STA	Proposition A Discretionary % Shares	Proposition A Discretionary	Two Year Lag Mitigation	Total Formula Funds
					[1]		[4]	
Included Operators								
Arcadia	0.109998%	\$ 351,133	\$ 42,320	0.109998%	\$ 210,168	-	-	\$ 603,621
Claremont	0.032409%	103,455	12,469	0.032409%	61,923	-	-	177,847
Commerce [2]	0.077809%	248,380	29,936	0.077809%	148,666	-	-	426,983
Culver City	1.367128%	4,364,125	525,988	1.367128%	2,720,973	108,855	108,855	7,611,087
Foothill	5.704989%	18,211,384	2,194,937	5.704989%	10,900,303	-	-	31,306,623
Gardena	1.482109%	4,731,166	570,226	1.482109%	2,831,808	-	-	8,133,200
La Mirada	0.056983%	181,899	21,924	0.056983%	108,875	-	-	312,697
Long Beach	6.112607%	19,512,577	2,351,764	6.112607%	11,679,124	-	-	33,543,464
Montebello	2.097413%	6,695,330	806,958	2.097413%	4,007,446	-	-	11,509,734
MTA Bus Ops.	75.552173%	241,176,556	29,067,932	75.552173%	143,975,754	(378,874)	(378,874)	414,220,243
Norwalk	0.769055%	2,454,966	295,886	0.769055%	1,469,403	-	-	4,220,255
Redondo Beach	0.048866%	155,991	18,801	0.048866%	363,530	270,163	270,163	538,322
Santa Monica	4.930812%	15,740,067	1,897,080	4.930812%	9,421,113	-	-	27,058,259
Torrance	1.657650%	5,291,526	637,764	1.657650%	3,167,208	-	-	9,096,498
Sub-Total		319,218,555	38,473,985		191,066,149		144	548,758,689
Transfer of Growth over inflation:					144		144	144
Sub-Total					191,066,293			548,758,834
Eligible Operators - Formula Equivalent Funds								
Antelope Valley	1.268975%	-	488,225	1.268975%	2,424,581	-	-	2,912,806
Santa Clarita	1.519315%	-	584,541	1.519315%	2,902,896	-	-	3,487,437
City of LA DOT	1.626727%	5,192,815	625,867	1.626727%	3,108,125	-	-	8,926,806
Foothill - BSCP	0.757356%	2,417,621	291,385	0.757356%	1,447,051	-	-	4,156,057
Sub-Total		7,610,435	1,990,018		9,882,653	-	-	19,483,106
Total FAP		\$ 326,828,991	\$ 40,464,003		\$ 200,948,946			\$ 568,241,940
FUNDING SOURCE								
Prop. A - Discretionary (95% of 40%) capped at CPI		\$ -	\$ -		\$ 191,066,149			\$ 191,066,149
Prop. A - Discretionary - available growth over CPI		-	-		58,761,568			58,761,568
Transfer of Growth over inflation:					(144)		(144)	(144)
Total Prop. A - Discretionary (95% of 40%)					249,827,717			249,827,717
Proposition A - growth over cpi allocation		-	-		-		-	-
TDA - Article 4		-	-		-		-	-
STA - PUC 99314		-	-		-		-	-
Total Funds Allocated		\$ 326,828,991	\$ 40,464,003		\$ 249,827,717			\$ 568,241,995

[1] FY06 Prop. A Discretionary funds, (95% of 40%) allocated to Included Operators have been capped at 2.69% CPI for FAP allocation.
 [2] To compensate for Commerce having zero passenger revenue, MTA multiplies each of Commerce's funding estimates by two. (Source of additional funds is Prop. A interest).
 [3] Funding source is Prop A Discretionary (95% of 40%) above CPI of 2.69%
 [4] Two Year Lag - Mitigation
 [5] Balance of \$144 adjusted from growth over inflation

FY 2007 BUS TRANSIT FUNDING PERCENTAGE SHARES

	Vehicle		Passenger Revenue	Base Fare	Fare Units	50% VSM	50% Fare Units	Sum		FAP Shares (No DAR Cap)	FAP Share (with DAR cap)	Proposition A Base Share
	Service Miles (VSM)	50% VSM + 50% Fare Units										
TDA ARTICLE 4, STA, and PROPOSITION A												
<u>Included Operators</u>												
Arcadia	297,147	81,018	1.00	81,018	148,574	40,509	189,083	0.109998%	0.109998%	0.109998%	0.109998%	0.109998%
Claremont	79,900	39,400	1.25	31,520	39,950	15,760	55,710	0.032409%	0.032409%	0.032409%	0.032409%	0.032409%
Commerce	267,502	-	-	-	133,751	-	133,751	0.077809%	0.077809%	0.077809%	0.077809%	0.077809%
Culver City	1,387,354	2,484,561	0.75	3,312,748	693,677	1,656,374	2,350,051	1.367128%	1.367128%	1.367128%	1.367128%	1.367128%
Foothill	9,581,170	11,035,461	1.10	10,032,237	4,790,585	5,016,119	9,806,704	5.704989%	5.704989%	5.704989%	5.704989%	5.704989%
Gardena	1,456,000	1,819,700	0.50	3,639,400	728,000	1,819,700	2,547,700	1.482109%	1.482109%	1.482109%	1.482109%	1.482109%
La Mirada	139,177	56,726	1.00	56,726	69,589	28,363	97,952	0.056983%	0.056983%	0.056983%	0.056983%	0.056983%
Long Beach	7,483,961	12,177,732	0.90	13,530,813	3,741,981	6,765,407	10,507,387	6.112607%	6.112607%	6.112607%	6.112607%	6.112607%
Montebello	2,323,000	4,399,000	0.90	4,887,778	1,161,500	2,443,889	3,605,389	2.097413%	2.097413%	2.097413%	2.097413%	2.097413%
Norwalk	1,129,209	908,853	0.60	1,514,755	564,605	757,378	1,321,982	0.769055%	0.769055%	0.769055%	0.769055%	0.769055%
Redondo Beach	119,000	49,000	1.00	49,000	59,500	24,500	84,000	0.048866%	0.048866%	0.048866%	0.048866%	0.048866%
Santa Monica	4,877,300	9,055,900	0.75	12,074,533	2,438,650	6,037,267	8,475,917	4.930812%	4.930812%	4.930812%	4.930812%	4.930812%
MTA Bus Ops *	84,655,000	218,861,000	1.25	175,088,800	42,327,500	87,544,400	129,871,900	75.552173%	75.552173%	75.552173%	75.552173%	75.552173%
Torrance	1,806,100	1,946,400	0.50	3,892,800	903,050	1,946,400	2,849,450	1.657650%	1.657650%	1.657650%	1.657650%	1.657650%
							171,896,974	100.00%	100.00%	100.00%	100.00%	100.00%
PROPOSITION A GROWTH OVER CPI AND/OR PROPOSITION A INCENTIVE FUNDS												
<u>Eligible Operators</u>												
Antelope Valley	2,215,000	2,819,000	1.20	2,349,167	1,107,500	1,174,583	2,282,083	N/A	N/A	1.268975%	1.268975%	1.268975%
Santa Clarita	2,655,529	2,809,045	1.00	2,809,045	1,327,765	1,404,523	2,732,287	N/A	N/A	1.519315%	1.519315%	1.519315%
Foothill - BSCP	1,322,960	1,564,021	1.10	1,421,837	661,480	710,919	1,372,399	N/A	N/A	0.757356%	0.757356%	0.757356%
LADOT	2,740,540	2,799,331	0.90	3,110,368	1,370,270	1,555,184	2,925,454	N/A	N/A	1.626727%	1.626727%	1.626727%

*MTA statistics exclude BSIP service+consent decree services funded from Proposition C 40% funds. Municipal Operators statistics exclude BSIP, TSE, Base Restructuring and MOSIP services funded from Proposition C 40% funds. TDA % cap for DAR operators = 0.25% for Arcadia, Claremont, La Mirada, and Redondo Beach

FY 2007 BUS TRANSIT FUNDING PERCENTAGE SHARES
Adjusted to eliminate the two year lag for operators adding service

	Vehicle		Passenger Revenue	Base Fare	Fare Units	50% VSM	50% Fare Units	Sum		FAP Shares (No DAR Cap)	FAP Share (with DAR cap)	Proposition A Base Share
	Service Miles (VSM)							50% VSM + 50% Fare Units	50% Fare Units			
TDA ARTICLE 4, STA, and PROPOSITION A												
Included Operators												
Arcadia	297,147	81,018	81,018	1.00	81,018	148,574	40,509	189,083	0.109871%	0.083055%	0.109871%	0.109871%
Claremont	79,900	39,400	39,400	1.25	31,520	39,950	15,760	55,710	0.032372%	0.024471%	0.032372%	0.032372%
Commerce	267,502	-	-	-	-	133,751	-	133,751	0.077719%	0.077782%	0.077719%	0.077719%
Culver City	1,463,705	2,484,561	2,484,561	0.75	3,346,804	731,853	1,673,402	2,405,255	1.397635%	1.398767%	1.397635%	1.397635%
Foothill	9,581,170	11,035,461	11,035,461	1.10	10,032,237	4,790,585	5,016,119	9,806,704	5.698438%	5.703053%	5.698438%	5.698438%
Gardena	1,456,000	1,819,700	1,819,700	0.50	3,639,400	728,000	1,819,700	2,547,700	1.480407%	1.481606%	1.480407%	1.480407%
La Mirada	139,177	56,726	56,726	1.00	56,726	69,589	28,363	97,952	0.056917%	0.043025%	0.056917%	0.056917%
Long Beach	7,483,961	12,177,732	12,177,732	0.90	13,530,813	3,741,981	6,765,407	10,507,387	6.105589%	6.110533%	6.105589%	6.105589%
Montebello	2,323,000	4,399,000	4,399,000	0.90	4,887,778	1,161,500	2,443,889	3,605,389	2.095004%	2.096701%	2.095004%	2.095004%
Norwalk	1,129,209	908,853	908,853	0.60	1,514,755	564,605	757,378	1,321,982	0.768172%	0.768794%	0.768172%	0.768172%
Redondo Beach	303,089	49,000	49,000	1.00	149,724	151,545	74,862	226,407	0.131559%	0.099449%	0.131559%	0.131559%
Santa Monica	4,877,300	9,055,900	9,055,900	0.75	12,074,533	2,438,650	6,037,267	8,475,917	4.925150%	4.929139%	4.925150%	4.925150%
MTA Bus Ops	84,655,000	218,861,000	218,861,000	1.25	175,088,800	42,327,500	87,544,400	129,871,900	75.465419%	75.526537%	75.465419%	75.465419%
Torrance	1,806,100	1,946,400	1,946,400	0.50	3,892,800	903,050	1,946,400	2,849,450	1.655746%	1.657087%	1.655746%	1.655746%
								172,094,584	100.00%	100.00%	100.00%	100.00%
PROPOSITION A GROWTH OVER CPI AND/OR PROPOSITION A INCENTIVE FUNDS												
Eligible Operators												
Antelope Valley	2,215,000	2,819,000	2,819,000	1.20	2,349,167	1,107,500	1,174,583	2,282,083	N/A	1.268423%	N/A	1.267582%
Santa Clarita	2,655,529	2,809,045	2,809,045	1.00	2,809,045	1,327,765	1,404,523	2,732,287	N/A	1.518654%	N/A	1.517647%
Foothill - BSCP	1,322,960	1,564,021	1,564,021	1.10	1,421,837	661,480	710,919	1,372,399	N/A	0.757086%	N/A	0.756812%
LADOT	2,740,540	2,799,331	2,799,331	0.90	3,110,368	1,370,270	1,555,184	2,925,454	N/A	1.626020%	N/A	1.624942%

*MTA statistics exclude BSIP service+consent decree services funded from Proposition C 40% funds.
Municipal Operators statistics exclude BSIP, TSE, Base Restructuring and MOSIP services funded from Proposition C 40% funds.
TDA % cap for DAR operators = 0.25% for Arcadia, Claremont, La Mirada, and Redondo Beach
Redondo Beach and Culver City includes service additions based on budgeted data. Details on Attachment A (page 4 of 4).
Redondo Beach - 184,089 Service Miles, \$125,906 Passenger Revenue, 100,724 Fare Units
Culver City - 42,570 Passenger Revenue, 76,351 Service Miles, 34,056 Fare Units

FY 2007 Summary of Transit Subsidies

Attachment B

	Federal and State FAP Subtotal		Local Formula Allocation Procedure		Formula Equivalent Funds [1]	Zero-fare Compensation [2]	Foothill Transit Mitigation	Transit Service Expansion	Discretionary Base Restructuring	Bus System Improvement Plan Overcrowding Relief	TOTAL OPERATING	Bus Security Enhancement
	Federal and State FAP Subtotal	STA Plus Interest	Prop A 40% Discretionary	Prop A 40% Discretionary								
INCLUDED OPERATORS												
Arcadia	351,133	42,320	210,168	210,168	-	-	8,140	-	-	17,437	629,198	9,193
Claremont	103,455	12,469	61,923	61,923	-	-	2,398	-	-	-	180,245	2,609
Commerce	248,380	29,936	148,666	148,666	-	426,983	5,758	-	199,564	-	1,059,288	30,756
Culver City	4,364,125	525,988	2,720,973	2,720,973	-	-	101,169	192,359	-	134,421	8,039,036	297,417
Foothill	18,211,384	2,194,937	10,900,303	10,900,303	-	-	-	266,241	1,597,686	743,838	33,914,388	811,903
Gardena	4,731,166	570,226	2,831,808	2,831,808	-	-	109,678	552,909	-	140,325	8,936,112	256,346
La Mirada	181,899	21,924	108,875	108,875	-	-	4,217	-	-	-	316,914	3,204
Long Beach	19,512,577	2,351,764	11,679,124	11,679,124	-	-	452,340	1,825,422	-	658,897	36,480,123	1,488,676
Montebello	6,695,330	806,958	4,007,446	4,007,446	-	-	155,211	-	911,375	173,928	12,750,248	525,926
Norwalk	2,454,966	295,886	1,469,403	1,469,403	-	-	56,911	-	-	45,001	4,322,168	134,921
Redondo Beach	155,991	18,801	363,630	363,630	-	-	3,616	-	-	3,195	545,133	4,349
Santa Monica	15,740,067	1,897,080	9,421,113	9,421,113	-	-	364,886	-	-	637,486	28,060,631	1,130,981
Torrance	5,291,526	637,764	3,167,208	3,167,208	-	-	122,668	647,397	579,908	192,477	10,638,948	255,812
Subtotal Included	76,041,999	9,406,053	47,090,539	47,090,539	-	426,983	1,386,992	3,484,328	3,288,533	2,747,004	145,872,432	4,952,092
ELIGIBLE OPERATORS [1]	[A+B+C] = D											
Antelope Valley	A	B	C	D								
	-	488,225	2,424,581	2,912,806								
Santa Clarita	-	584,541	2,902,896	3,487,437			9,646	301,470	-	38,263	3,262,184	146,993
City of Los Angeles	5,192,815	625,867	3,108,125	8,926,806			11,549	157,677	-	40,928	3,697,592	189,743
Foothill BSCP	2,417,621	291,385	1,447,051	4,156,057			114,960	2,165,836	-	119,968	11,327,570	541,095
Subtotal Eligible	7,610,435	1,990,018	9,882,653	19,483,106			136,155	2,624,983	-	199,159	22,443,402	877,830
OTHER												
City of Lynwood Trolley							172,565				172,565	
MTA Bus Ops.	241,176,556	29,067,932	143,975,754				5,590,951			9,240,744	429,051,937	24,853,316
TOTAL	\$ 325,828,991	\$ 40,464,003	\$ 200,948,946	\$ 19,483,106		\$ 426,983	\$ 7,114,097	\$ 6,281,876	\$ 3,288,533	\$ 12,186,907	\$ 597,540,336	\$ 30,883,238

[1] These funds are allocated by formula for Foothill BSCP service, LADOT Service and to Eligible Operators in lieu of Section 9, TDA, STA and Prop A 40% Discretionary funds.

Fund sources are prop A growth over inflation.

[2] Allocated as part of FAP to Commerce as compensation for having zero passenger revenues.

Attachment C-1

FY 2007

Proposition C 40%-Municipal operator transit service improvement program

	% Shares	Percentage	MOSIP FUNDS
		Share	Prop C
Arcadia	0.1099976%	0.3713600%	64,576
Claremont	0.0324089%	0.1094150%	19,026
Commerce	0.0778088%	0.2626884%	45,679
Culver City	1.3671276%	4.6155247%	802,599
Foothill	5.7049891%	19.2604684%	3,349,224
Gardena	1.4821087%	5.0037094%	870,101
La Mirada	0.0569827%	0.1923778%	33,453
Long Beach	6.1126074%	20.6366182%	3,588,524
Montebello	2.0974127%	7.0810215%	1,231,327
Norwalk	0.7690548%	2.5963865%	451,489
Redondo Beach	0.0488665%	0.1649769%	28,688
Santa Monica	4.9308120%	16.6467889%	2,894,729
Torrance	1.6576499%	5.5963496%	973,155
Antelope Valley	1.2689746%	4.2841529%	744,976
Santa Clarita	1.5193147%	5.1293198%	891,943
City of LA DOT	1.6267271%	5.4919519%	955,002
Foothill - BSCP	0.7573559%	2.5568901%	444,620
Total Funds Allocated	29.62%	100.00%	17,389,111

Note: allocation based on the operators FAP share of funds.

Municipal Operator Fuel Increase Mitigation Allocation

This attachment summarizes the policies and administrative procedures for the fuel increase mitigation allocation approved by Metro Board action in May 2006. The purpose of the allocation is to mitigate the impact of the fuel cost increases experienced by the municipal operators.

Program Amount and Allocation Period: This is a one time allocation for Fiscal 2007 for \$6 million from Proposition C 40% Discretionary Funds.

FY 2007 Proposition C 40%-Fuel Increase Mitigation Allocation:

	% Shares	Percentage Share	Prop C Fuel Increase
Arcadia	0.1099976%	0.3713600%	22,282
Claremont	0.0324089%	0.1094150%	6,565
Commerce	0.0778088%	0.2626884%	15,761
Culver City	1.3671276%	4.6155247%	276,931
Foothill	5.7049891%	19.2604684%	1,155,628
Gardena	1.4821087%	5.0037094%	300,223
La Mirada	0.0569827%	0.1923778%	11,543
Long Beach	6.1126074%	20.6366182%	1,238,197
Montebello	2.0974127%	7.0810215%	424,861
Norwalk	0.7690548%	2.5963865%	155,783
Redondo Beach	0.0488665%	0.1649769%	9,899
Santa Monica	4.9308120%	16.6467889%	998,807
Torrance	1.6576499%	5.5963496%	335,781
Antelope Valley	1.2689746%	4.2841529%	257,049
Santa Clarita	1.5193147%	5.1293198%	307,759
City of LA DOT	1.6267271%	5.4919519%	329,517
Foothill - BSCP	0.7573559%	2.5568901%	153,413
Total Funds Allocated	29.62%	100.00%	6,000,000

Note: allocation based on the operators FAP share of funds.

Allocation Methodology

Funds are allocated among the municipal operators according to the shares calculated by the Formula Allocation Procedure for the year in which funds are allocated. This is the same methodology as used to allocate Municipal Operator Service Improvement Program (MOSIP) funds.

Eligible Recipients

All included and eligible municipal operators participating in MTA's FY 2007 Formula Allocation Program are eligible to receive these funds. MTA Operations was awarded funds separately through MTA's budget process and Board action.

Fund Disbursement

Funds will be disbursed after a Memorandum of Understanding (MOU) between the operator and the MTA has been executed and the operator has submitted to MTA an invoice and documentation showing that the funds are being used to meet increases in fuel costs. Funds will be disbursed monthly in equal portions of an operator's allocation once an invoice for the annual allocation is received from the operator.

Lapsing Requirement

Given the objective of the program to mitigate fuel cost increases, operators are encouraged to spend these funds in a timely manner. Funds not spent in the year of allocation will revert back to MTA to be added to the Proposition C 40% fund pool.

Audit/Reporting Requirements

Use of these funds will be audited as part of the annual audit of each municipal operator. Operators will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended.

Attachment D

FY 2007 TDA ARTICLE 8 APPORTIONMENTS (Transit/Streets & Highways)

AGENCY	POPULATION (1)	ARTICLE 8 PERCENTAGE	FY 2007 TDA ARTICLE 8 REVENUE
Avalon	3,508	0.63%	\$ 118,288.35
Lancaster	133,703	24.08%	\$ 4,508,411.53
Palmdale	136,734	24.63%	\$ 4,610,615.63
Santa Clarita	167,954	30.25%	\$ 5,663,341.51
LA County Unincorporated	113,270	20.40%	\$ 3,819,418.97
Total	555,169	100.00%	\$ 18,720,075.99
Estimated Revenues:			\$ 18,720,075.99

(1) Population estimates are based on State of California Department of Finance census 2005 data-report.
The Unincorporated Population figure is not revised.

FY 2007 ALLOCATIONS OF
PROPOSITIONS A & C LOCAL RETURN, and TDA ARTICLE 3

Attachment E

(Page 1 of 2)

POPULATION CITY	Population DOF Report <u>2005 data</u>	Population as % of <u>County</u>	Proposition A Local Return <u>Estimate</u>	Proposition C Local Return <u>Estimate</u>	TDA Article 3 <u>Estimate</u>	Carryover for MBA <u>Estimate*</u>
AGOURA HILLS	23,330	0.2281%	360,963	299,859	13,324	
ALHAMBRA	90,561	0.8856%	1,401,164	1,163,975	51,720	
ARCADIA	56,320	0.5507%	871,386	723,877	32,165	
ARTESIA	17,311	0.1693%	267,837	222,497	9,886	
AVALON	3,508	0.0343%	54,276	45,088	5,000	2,997
AZUSA	48,520	0.4745%	750,704	623,624	27,710	
BALDWIN PARK	81,226	0.7943%	1,256,733	1,043,993	46,389	
BELL	38,961	0.3810%	602,806	500,763	22,251	
BELLFLOWER	77,513	0.7580%	1,199,285	996,270	44,268	
BELL GARDENS	46,310	0.4528%	716,511	595,220	26,448	
BEVERLY HILLS	35,969	0.3517%	556,514	462,307	20,542	
BRADBURY	951	0.0093%	14,714	12,223	5,000	4,457
BURBANK	106,739	1.0437%	1,651,471	1,371,910	60,960	
CALABASAS	23,123	0.2261%	357,760	297,198	13,206	
CARSON	98,329	0.9615%	1,521,351	1,263,816	56,157	
CERRITOS	55,074	0.5385%	852,108	707,863	31,453	
CLAREMONT	36,636	0.3582%	566,834	470,880	20,923	
COMMERCE	13,504	0.1320%	208,935	173,566	7,712	
COMPTON	98,802	0.9661%	1,528,669	1,269,896	56,427	
COVINA	49,565	0.4847%	766,872	637,056	28,307	
CUDAHY	25,846	0.2527%	399,891	332,197	14,761	
CULVER CITY	40,870	0.3996%	632,343	525,300	23,341	
DIAMOND BAR	59,953	0.5863%	927,596	770,572	34,240	
DOWNEY	113,607	1.1109%	1,757,733	1,460,184	64,882	
DUARTE	22,834	0.2233%	353,289	293,484	13,041	
EL MONTE	125,832	1.2304%	1,946,879	1,617,311	71,864	
EL SEGUNDO	17,024	0.1665%	263,396	218,808	9,723	
GARDENA	61,072	0.5972%	944,909	784,955	34,879	
GLENDALE	207,007	2.0242%	3,202,822	2,660,648	118,224	
GLENDORA	52,373	0.5121%	810,318	673,147	29,911	
HAWAIIAN GARDENS	15,872	0.1552%	245,572	204,002	9,065	
HAWTHORNE	88,790	0.8682%	1,373,763	1,141,212	50,709	
HERMOSA BEACH	19,608	0.1917%	303,376	252,020	11,198	
HIDDEN HILLS	2,038	0.0199%	31,532	26,194	5,000	3,836
HUNTINGTON PARK	64,929	0.6349%	1,004,585	834,528	37,082	
INDUSTRY**	804	0.0079%	12,440	10,334	0	(459)
INGLEWOOD	118,164	1.1555%	1,828,239	1,518,754	67,485	
IRWINDALE	1,501	0.0147%	23,224	19,292	5,000	4,143
LA CANADA-FLINTRIDGE	21,608	0.2113%	334,320	277,726	12,341	
LA HABRA HEIGHTS	6,193	0.0606%	95,818	79,598	5,000	1,463
LAKEWOOD	83,674	0.8182%	1,294,608	1,075,457	47,787	
LA MIRADA	50,477	0.4936%	780,983	648,778	28,828	
LANCASTER	133,703	1.3074%	2,068,659	1,718,476	76,359	
LA PUENTE	43,360	0.4240%	670,868	557,303	24,763	
LA VERNE	33,480	0.3274%	518,004	430,316	19,121	
LAWNDALE	33,458	0.3272%	517,664	430,034	19,108	
LOMITA	21,153	0.2068%	327,280	271,878	12,081	
LONG BEACH	491,564	4.8068%	7,605,502	6,318,041	280,737	
LOS ANGELES CITY	3,957,875	38.7021%	61,236,430	50,870,317	2,569,585	
LYNWOOD	73,212	0.7159%	1,132,740	940,989	41,812	
MALIBU	13,704	0.1340%	212,029	176,137	7,826	
MANHATTAN BEACH	36,843	0.3603%	570,037	473,541	21,041	
MAYWOOD	29,596	0.2894%	457,911	380,396	16,903	
MONROVIA	39,147	0.3828%	605,684	503,154	22,357	
MONTEBELLO	65,672	0.6422%	1,016,080	844,078	37,506	
MONTEREY PARK	64,614	0.6318%	999,711	830,480	36,902	

FY 2007 ALLOCATIONS OF PROPOSITIONS A & C LOCAL RETURN, and TDA ARTICLE 3

Attachment E

(Page 2 of 2)

<u>POPULATION CITY</u>	<u>Population DOF Report 2005 data</u>	<u>Population as % of County</u>	<u>Proposition A Local Return Estimate</u>	<u>Proposition C Local Return Estimate</u>	<u>TDA Article 3 Estimate</u>	<u>Carryover for MBA Estimate*</u>
NORWALK	110,178	1.0774%	1,704,679	1,416,111	62,924	
PALMDALE	136,734	1.3371%	2,115,555	1,757,433	78,090	
PALOS VERDES ESTATES	14,208	0.1389%	219,827	182,615	8,114	
PARAMOUNT	58,109	0.5682%	899,065	746,871	33,187	
PASADENA	146,166	1.4293%	2,261,487	1,878,662	83,477	
PICO RIVERA	67,288	0.6580%	1,041,083	864,848	38,429	
POMONA	160,815	1.5725%	2,488,137	2,066,945	91,843	
RANCHO PALOS VERDES	43,525	0.4256%	673,421	559,424	24,858	
REDONDO BEACH	67,325	0.6583%	1,041,656	865,324	38,450	
ROLLING HILLS	1,983	0.0194%	30,681	25,487	5,000	3,867
ROLLING HILLS ESTATES	8,191	0.0801%	126,732	105,278	5,000	322
ROSEMEAD	57,189	0.5592%	884,831	735,047	32,661	
SAN DIMAS	37,005	0.3619%	572,543	475,623	21,134	
SAN FERNANDO	24,958	0.2441%	386,151	320,784	14,254	
SAN GABRIEL	42,374	0.4144%	655,613	544,630	24,200	
SAN MARINO	13,673	0.1337%	211,549	175,738	7,809	
SANTA CLARITA	167,954	1.6423%	2,598,592	2,158,702	95,920	
SANTA FE SPRINGS	17,867	0.1747%	276,439	229,643	10,204	
SANTA MONICA	91,495	0.8947%	1,415,615	1,175,979	52,254	
SIERRA MADRE	11,146	0.1090%	172,451	143,259	6,366	
SIGNAL HILL	10,951	0.1071%	169,434	140,753	6,254	
SOUTH EL MONTE	22,420	0.2192%	346,883	288,163	12,804	
SOUTH GATE	102,165	0.9990%	1,580,702	1,313,120	58,348	
SOUTH PASADENA	25,789	0.2522%	399,009	331,464	14,728	
TEMPLE CITY	35,648	0.3486%	551,548	458,181	20,359	
TORRANCE	147,405	1.4414%	2,280,657	1,894,587	84,185	
VERNON	96	0.0009%	1,485	1,234	5,000	4,945
WALNUT	31,900	0.3119%	493,558	410,009	18,218	
WEST COVINA	112,417	1.0993%	1,739,321	1,444,889	64,203	
WEST HOLLYWOOD	38,036	0.3719%	588,495	488,874	21,723	
WESTLAKE VILLAGE	8,905	0.0871%	137,779	114,455	5,086	
WHITTIER	87,250	0.8532%	1,349,936	1,121,419	49,829	
UNINCORP LA COUNTY	1,085,632	10.6159%	16,796,950	13,953,559	1,341,485	
TOTAL	10,226,506		158,224,986	131,440,635	6,896,707	25,571

NOTES:

Population estimates are based on State of California Department of Finance's 2005 population estimates

LR fund totals reflect estimates based on 25 or 20 percent of estimated revenues (without carryover) minus administration. LR jurisdictions receive actual revenues.

*A portion of the TDA Article 3 (\$25,571) is used to create a minimum balance allocation (MBA) for those cities that fall under an allocation of \$5,000.

**City of Industry has opted out of the TDA Article 3 program indefinitely

TDA Article 3 estimates include 85% Local Allocation and 15% Supplemental Allocation to the City of Los Angeles and Los Angeles County

6,871,136	Revenue
25,571	MBA
<u>6,896,707</u>	TOTAL Rev

	PROPOSED FY 2007
REVENUES	
Proposition A Disc. Incentive	\$ 13,148,827
Other	
REVENUE TOTAL	\$ 13,148,827
EXPENSES - IN ORDER OF PRIORITY	
SUBREGIONAL PARATRANSIT PROJECTS:	
1st Priority - Existing Subregional Paratransit Participants	
Agoura Hills	\$ 82,340
Antelope Valley, Elderly & Disabled	\$ 256,741
Beverly Hills Taxi & Lift Van	\$ 29,985
Culver City Community Transit and LA County	\$ 93,484
Gardena, Hawthorne and LA County	\$ 166,496
Glendale Paratransit and La Canada Flintridge	\$ 187,458
Huntington Park, Bell, South Gate and LA County	\$ 152,150
Inglewood Transit and LA County	\$ 191,073
LA County (Whittier et al)	\$ 128,818
LA County (Willowbrook)	\$ 74,713
Los Angeles Taxi & Lift Van, City Ride	\$ 1,437,740
Los Angeles Dial-a-Ride, City Ride	\$ 1,115,041
Monrovia D.A.R. and LA County	\$ 117,357
Palos Verdes PTA D.A.R.	\$ 32,365
Palos Verdes PTA - PV Transit	\$ 245,237
Pasadena Community Transit, San Marino and LA County	\$ 305,338
Pomona Valley TA - E&D (Get About)	\$ 421,819
Pomona Valley TA General Public (VC)	\$ 29,216
Redondo Beach Community Transit and Hermosa Beach	\$ 116,567
Santa Clarita D.A.R.	\$ 526,667
West Hollywood (DAR)	\$ 200,770
West Hollywood (Taxi)	\$ 91,302
Whittier (DAR)	\$ 188,595
1st Priority SUBTOTAL	\$ 6,191,272
TRANSITION FUNDING & SERVICE REPLACEMENT PROJECTS:	
2nd Priority - Services that receive growth over inflation (if Prop A Disc. cannot fully fund these systems)	
City of L.A. - Bus Service Continuation Project/DASH/Central City Shuttle	\$ -
Santa Clarita - Local Fixed Route	\$ -
Antelope Valley - Local Fixed Route	\$ -
Foothill - Bus Service Continuation Project	\$ -
2nd Priority SUBTOTAL	\$ -
APPROVED EXPANDED PARATRANSIT PROGRAMS (EXISTING OR NEW):	
3rd Priority - approved existing expanded paratransit; 4th Priority - approved new expanded paratransit services	
3rd & 4th Priority SUBTOTAL	\$ -

VOLUNTARY NTD DATA REPORTING:		
5th Priority - locally funded public transportation systems which voluntarily report NTD data		
City of Alhambra	\$	106,906
City of Baldwin Park	\$	210,890
City of Bell Gardens	\$	93,764
City of Carson	\$	345,864
City of Cerritos	\$	262,621
City of Compton	\$	82,908
City of Cudahy	\$	21,460
City of Downey	\$	164,355
City of El Monte	\$	210,321
City of Glendale	\$	489,806
City of Huntington Park	\$	121,648
City of Los Angeles -- Community DASH	\$	2,118,112
City of Lynnwood	\$	71,723
City of Malibu	\$	29,425
City of Manhattan Beach	\$	18,614
City of Maywood	\$	31,053
City of Monterey Park	\$	155,074
LA County Dept. of Public Works -- East LA	\$	179,695
City of Pasadena	\$	368,418
City of Santa Fe Springs	\$	10,853
City of South Pasadena	\$	11,072
City of West Covina	\$	222,667
City of West Hollywood	\$	43,821
City of Whittier	\$	89,484
5th Priority SUBTOTAL	\$	5,460,555
SUBREGIONAL GRANT PROJECTS:		
6th Priority - special demonstration projects		
Avalon Ferry Subsidy	\$	250,000
Avalon Transit Services (Jitney and Dial a Ride)	\$	250,000
Hollywood Bowl Shuttle Service	\$	522,000
Redondo Beach Bridge Funding (last year of funding - will be rolled into formula for funding FY08)	\$	300,000
Norwalk/Santa Fe Springs Bridge funding (last year of funding)	\$	175,000
6th Priority SUBTOTAL	\$	1,497,000
TOTAL - ALL PRIORITIES	TOTAL EXPENDITURES	\$ 13,148,827
FY '07 - TOTAL INCENTIVE PROGRAM REVENUES	\$	13,148,827
FY '07 - TOTAL INCENTIVE PROGRAM EXPENSES	\$	13,148,827
SHORT FALL/BALANCE	\$	(0)

NOTES:

1st Priority - funding mark based on FY05 audit, or audited FY05 TPM data.

5th Priority - estimates based on FY05 audited operating data and NTD reporting allocation for reimbursement

Estimated Funding Marks Based on FY' 05 Operating Data

Attachment G

FY2007 Transit Security Funding Allocations

				Operator Allocation Decisions		
Operator	FY 2005 Unlinked Passengers	Percent of Total Unlinked Passengers	Total Funding Allocation	Direct Allocation to Muni	Allocation to Partnership	Total
Antelope Valley	2,670,000	0.47906574%	\$146,993	146,993	0	\$146,993
Arcadia	166,985	0.02996135%	\$9,193	9,193	0	9,193
Claremont	47,392	0.00850333%	\$2,609	2,609	0	2,609
Commerce	558,663	0.10023832%	\$30,756	30,756	0	30,756
Culver City	5,402,319	0.96931309%	\$297,417	297,417	0	297,417
Foothill	14,747,521	2.64607942%	\$811,903	811,903	0	811,903
Gardena	4,656,300	0.83545835%	\$256,346	256,346	0	256,346
City of Los Angeles	9,828,521	1.76348602%	\$541,095	0	541,095	541,095
La Mirada	58,194	0.01044148%	\$3,204	3,204	0	3,204
Long Beach	27,040,526	4.85175640%	\$1,488,676	1,488,676	0	1,488,676
Montebello	9,553,000	1.71405057%	\$525,926	525,926	0	525,926
MTA Bus Ops.	451,439,232	80.99965151%	\$24,853,316	0	24,853,316	24,853,316
Norwalk	2,450,717	0.43972081%	\$134,921	134,921	0	134,921
Redondo Beach	79,000	0.01417460%	\$4,349	4,349	0	4,349
Santa Clarita	3,446,513	0.61839187%	\$189,743	189,743	0	189,743
Santa Monica	20,543,300	3.68598922%	\$1,130,981	1,130,981	0	1,130,981
Torrance	4,646,600	0.83371793%	\$255,812	255,812	0	255,812
MTA Subtotal:	451,439,232	80.99965151%	\$24,853,316	0	24,853,316	24,853,316
Other Operators Subtotal:	105,895,551	19.00034849%	5,829,922	5,288,828	\$541,095	5,829,922
Totals:	557,334,783	100%	\$30,683,238	\$5,288,828	\$25,394,411	\$30,683,238

* Total funding is 90% of Prop C 5% Transit Security for FY 2006: \$30,683,238

**MTA operations data includes unlinked passengers for bus and rail.

Estimated Revenue: \$ 34,092,487

FY 07 CAPITAL ALLOCATION PROCEDURE

LACMTA

OPERATOR	FORMULA SHARE	85% FORMULA ALLOCATION	1% ENHANCEMENT ALLOCATION	15% DISCRETIONARY ALLOCATION	SUBTOTAL (I)	FY 2007 LEASE PAYMENT (COP)	TOTAL
ANTELOPE VALLEY	1.3477%	\$352,786			\$352,786		\$352,786
ARCADIA	0.1458%	\$229,417			\$229,417		\$229,417
CLAREMONT	0.0419%	\$65,924			\$65,924		\$65,924
COMMERCE	0.2363%	\$371,811			\$371,811		\$371,811
CULVER CITY	1.0710%	\$1,685,071	\$658,020		\$2,343,090	\$810,000	\$3,153,090
FOOTHILL	6.6835%	\$10,515,620		\$1,579,247	\$12,094,867		\$12,094,867
GARDENA	1.1866%	\$1,867,033		\$2,632,078	\$4,499,111		\$4,499,111
LADOT	2.4852%	\$3,910,147		\$3,290,098	\$7,200,245		\$7,200,245
LA MIRADA	0.0634%	\$99,758			\$99,758		\$99,758
LONG BEACH	5.5667%	\$8,758,480		\$1,316,039	\$10,074,519		\$10,074,519
MONTEBELLO	1.9440%	\$3,058,704		\$1,316,039	\$4,374,744		\$4,374,744
MTA OPERATIONS	71.2792%	\$112,148,413		\$ 13,136,619	\$125,285,031		\$125,285,031
NORWALK	0.6881%	\$1,082,695		\$440,000	\$1,522,695		\$1,522,695
REDONDO BEACH	0.0809%	\$127,297			\$127,297		\$127,297
SANTA CLARITA	1.4559%	\$703,171			\$703,171		\$703,171
SANTA MONICA	4.1835%	\$6,582,149		\$1,905,098	\$8,487,247		\$8,487,247
TORRANCE	1.5401%	\$2,423,202			\$2,423,202		\$2,423,202
UFS CAPITAL				\$ 900,000.00			
TOTAL		\$153,981,678	\$1,838,029	\$27,173,237	\$182,992,944	\$ 810,000	\$183,802,944

	FY 2007 est	FY 2006 adjstment	FY 2007 allocation
After off-the-top, 85% of dollars.	\$ 161,131,950	\$ (7,150,272)	\$ 153,981,678
After off-the-top, 100% of dollars.	\$ 189,567,000	\$ (8,412,085)	\$ 181,154,915
Discretionary capital allocation	\$ 28,435,050	\$ (1,261,813)	\$ 27,173,237
Discretionary transit enhancement	\$ 1,923,000	\$ (84,971)	\$ 1,838,029
Total Discretionary Funds Available	\$ 30,358,050	\$ (1,346,784)	\$ 29,011,266
Total federal 5307 funds available	\$ 192,300,000	\$ (8,497,056)	\$ 183,802,944

FY 2007 Section 5307 15% Capital Discretionary Fund				
Agency	Project Description		Final Allocation	% of Available Funds
Culver City	Replace CNG Buses		\$658,020	2%
Foothill	Replace CNG Buses		\$1,579,247	6%
Gardena	Facility Costs		\$2,632,078	9.7%
LADOT	Maintenance Facility		\$3,290,098	12.1%
Long Beach	Replace Hybrid Buses		\$1,316,039	4.8%
Montebello	Replace Hybrid Buses		\$1,316,039	4.8%
MTA			\$ 13,136,619	48.3%
	Division 9 & El Monte Station Improvements		\$ 3,168,000 (1) Div. 9 & El Monte Stn. Improvements	
	Division 1, 2, 3, 7, 8 & 15 Improvements		\$ 9,968,619 (2) Div. 1, 2, 3, 7, 8 & 15 Improvements	
Norwalk	Bus Washer & Parking		\$440,000	2%
Santa Monica	Replace LNG Buses		\$ 1,905,098	7.0%
UFS Capital			\$ 900,000	3.3%
Totals		\$ 27,173,237	\$ 27,173,237	100%
Total Available		\$ 27,173,237	\$ 27,173,237	
Difference		\$ -	\$ -	

FY 2007 Section 5307 1% Capital Discretionary Fund	
<p>\$ 1,838,029 in Fiscal Year 2007 Section 5307 1% Transit Enhancement funds not allocated at this time because FTA is considering a revised methodology and tracking requirements for these funds. Funds will be allocated once FTA finalizes these requirements.</p>	

Reprogramming of 15% Capital Discretionary Fund Section 5307				
Operator	Project Description	Fiscal Year	Allocation	Reason
Gardena	Reprogram funds from bus replacement project to transit facility construction project.	2005	\$2,520,000	Bid for the Transit facility construction is significantly higher than original estimate. This is the highest priority project for Gardena. The bus purchase program will be delayed for two years.
		2006	\$416,000	
		Total	\$2,936,000	
Norwalk	Reprogram funds from the design and construction of an onsite alternate fueling station and alternative fuel conversion for new maintenance facility, to installation of new unleaded fueling facilities.	2003	\$440,000	Norwalk has opted to proceed with hybrid gasoline/electric as its alternative fuel technology. Norwalk's current facilities accommodate only diesel. Norwalk is now purchasing gas/electric hybrid buses and added unleaded fueling capacity is needed.
		Total	\$440,000	
Norwalk	Reprogram funds from replacement of two Orion buses with two alternatively fueled buses to replacement of one bus with gasoline/electric hybrid bus.	2003	\$536,000	The cost estimate for the two buses was based on diesel/electric technology. AQMD derived the diesel/electric technology subsequently as the alternative fuel for Norwalk, but approved the gasoline/electric hybrid technology. Those buses cost twice as much as the diesel/electric hybrid, hence Norwalk wants to replace one (1) bus instead of two (2).
		Total	\$536,000	
Grand Total			\$3,912,000	

2-year-lag Funding Procedure

6/13/2006

Definitions

For the purpose of this policy, “**abandoned service**” means FAP-funded service eliminated or reduced by Metro or an Included or Eligible municipal operator after approval from the operator’s governing board. “**Replacement service**” means service that replaces this abandoned service.

Procedure

An operator who replaces service abandoned by another operator will be eligible to include annualized budgeted service data for the replacement service in its TPM form for inclusion in the Formula Allocation Procedure or its successor methodology. The data will be included until audited statistics are available for this service at which point the service will be funded normally. The operator who abandons the service will not have any immediate data reductions. Reductions in service will be reflected when actual data is reported in two years.

For the purposes of this procedure, an operator is eligible for this program:

- a) when it replaces a substantial portion of a route that has been officially abandoned by another operator;
- b) when it replaces service in response to another operator – which had previously operated in the same corridor (e.g. Wilshire Blvd.) – abandoning or reducing that service.

The budgeted statistics shall be based on the previous operator’s actual data and will consist of vehicle service miles and fare units or other data if a new FAP formula is developed. (Fare units are transferred in order to prevent operators with lower fares from receiving a windfall if they take over service from an operator with a higher fare.) Under no circumstances shall an operator receive credit for more statistics in the formula than the previous operator received.

The operator replacing the abandoned service shall submit a letter giving a description of its new service, including estimated vehicle service miles, boardings and passenger revenue or other data as required. This letter will follow the same time line for submission as the annual TPM form.

Metro staff will then calculate the FAP using the added statistics of the operator who is replacing the service. Under the methodology adopted by the Los Angeles County General Managers (**see attached spreadsheets**), the funding impact will be limited to the amount the agency abandoning the service would have lost thus mitigating the effects of the transfer on operators who are not involved in the transaction. The methodology described in step 1 in the attached spreadsheets will be used to calculate the final funding allocations for all the operators. As noted above, this methodology will be applied for two fiscal years after which the service changes will become part of the audited NTD/TPM reports and follow the regular funding allocation process. There will be no other reconciliation for the first two years for these service changes.

The operator replacing the abandoned service will inform the MTA of any deviation from the original service delivery plan, such as start up delays or other interruptions in planned service. In this case, Metro staff will make the appropriate funding adjustments and receive board approval in the next funding cycle.

Each year, information about abandoned and replaced service shall be provided in the funding marks packet on a separate page for approval by the Bus Operations Subcommittee and the Metro Board of Directors. If adjustments to this procedure need to be made, staff from both Metro and the Municipal Operators will work together to make needed changes.

Funding

In the case of service abandonment and replacement by Metro and/or the included operators, there will be no increase in the use of regional funding. However, if an eligible operator were to replace abandoned service under this procedure, then additional funding from Proposition A 40% growth over inflation funds would be used.

Table 1
(to Attachment J)

**Example to show the procedure of a Municipal Operator Adding Service - 1 million miles
MTA eliminates Service - 1 million miles**

	B	C	D	E
	TOTAL OPERATING EXISTING	TOTAL OPERATING		
	ALL SOURCES	Funding after Service Additions	DIFFERENCE	STEP 1
Arcadia	629,198	626,893	(2,305)	-
Claremont	180,245	179,567	(678)	-
Commerce	1,059,288	1,055,390	(3,898)	-
Culver City	7,930,181	7,901,536	(28,645)	-
Foothill	33,914,388	33,748,158	(166,230)	-
Gardena	8,936,112	8,905,058	(31,054)	-
La Mirada	316,914	315,720	(1,194)	-
Long Beach	36,480,123	38,425,370	1,945,247	1,582,988
Montebello	12,750,248	12,706,303	(43,945)	-
Norwalk	4,322,168	4,306,054	(16,114)	-
Redondo Beach	274,970	273,946	(1,024)	-
Santa Monica	28,060,631	27,957,319	(103,312)	-
Torrance	10,638,948	10,604,216	(34,732)	-
Subtotal Included	145,493,414	147,005,530	1,512,116	1,582,988
Antelope Valley	3,262,184	3,248,468	(13,716)	-
Santa Clarita	3,697,592	3,681,170	(16,422)	-
City of Los Angeles	11,327,570	11,295,016	(32,554)	-
Foothill BSCP	4,156,057	4,144,621	(11,436)	-
Subtotal Eligible	22,443,402	22,369,275	(74,127)	-
City of Lynwood Trolley	172,565	172,565	-	-
MTA Bus I Ops.	429,430,811	427,847,823	(1,582,988)	(1,582,988)
TOTAL	\$ 597,540,192	\$ 597,395,193	\$ (144,999)	\$ -

Table 2
(to Attachment J)

**Example to show the procedure of an eligible Operator adding
1 million Miles of service. MTA eliminates service.**

	B	C	D	E
	TOTAL OPERATING EXISTING	TOTAL OPERATING		
	ALL SOURCES	Funding after Service Additions	DIFFERENCE	STEP 1
Arcadia	629,198	629,198	-	-
Claremont	180,245	180,245	-	-
Commerce	1,059,288	1,059,288	-	-
Culver City	7,930,181	7,930,181	-	-
Foothill	33,914,388	33,914,388	-	-
Gardena	8,936,112	8,936,112	-	-
La Mirada	316,914	316,914	-	-
Long Beach	36,480,123	36,480,123	-	-
Montebello	12,750,248	12,750,248	-	-
Norwalk	4,322,168	4,322,168	-	-
Redondo Beach	274,970	274,970	-	-
Santa Monica	28,060,631	28,060,631	-	-
Torrance	10,638,948	10,638,948	-	-
Subtotal Included	145,493,414	145,493,414	-	
Antelope Valley	3,262,184	3,248,468	(13,716)	
Santa Clarita	3,697,592	3,681,170	(16,422)	
City of Los Angeles	11,327,570	13,276,237	1,948,667	1,907,094
Foothill BSCP	4,156,057	4,144,621	(11,436)	
Subtotal Eligible	22,443,402	24,350,496	1,907,094	
City of Lynwood Trolley	172,565	172,565	-	
MTA Bus I Ops.	429,430,811	429,430,811	0	
TOTAL	\$ 597,540,192	\$ 599,447,286	\$ 1,907,094	\$ 1,907,094

Table 3
(to Attachment J)

Example to show the procedure of a Municipal Operator adding 500,000 Service Miles. Another Municipal Operator eliminates service.

	B	C	D	E
	TOTAL OPERATING EXISTING	TOTAL OPERATING		
	ALL SOURCES	Funding after Service Additions	DIFFERENCE	STEP 1
Arcadia	629,198	627,933	(1,265)	-
Claremont	180,245	179,873	(372)	-
Commerce	1,059,288	1,057,031	(2,257)	-
Cuiver City	7,930,181	7,914,451	(15,730)	(15,730)
Foothill	33,914,388	33,814,000	(100,388)	-
Gardena	8,936,112	8,919,059	(17,053)	-
La Mirada	316,914	316,258	(656)	-
Long Beach	36,480,123	36,409,795	(70,328)	-
Montebello	12,750,248	12,726,117	(24,131)	-
Norwalk	4,322,168	4,313,319	(8,849)	-
Redondo Beach	274,970	274,407	(563)	-
Santa Monica	28,060,631	29,143,473	1,082,842	15,730
Torrance	10,638,948	10,619,876	(19,072)	-
Subtotal Included	145,493,414	146,315,592	822,178	-
Antelope Valley	3,262,184	3,254,087	(8,097)	-
Santa Clarita	3,697,592	3,687,897	(9,695)	-
City of Los Angeles	11,327,570	11,309,694	(17,876)	-
Foothill BSCP	4,156,057	4,150,331	(5,726)	-
Subtotal Eligible	22,443,402	22,402,009	(41,393)	-
City of Lynwood Trolley	172,565	172,565	-	-
MTA Bus I Ops.	429,430,811	428,561,552	(869,259)	-
TOTAL	\$ 597,540,192	\$ 597,451,718	\$ (88,474)	\$ -

Summary of Methodologies and Assumptions Used for the FY 2007 Transit Fund Allocations

Attachment A

Allocations of transit subsidy funds (STA, TDA Article 4, and Proposition A 40% Discretionary) were based on the Formula Allocation Procedure (FAP) that was adopted by the Board Directors and legislated through SB 1755 (Calderon – 1996). The FAP as applied involves allocating funding to transit operators based on 50% of operators' vehicle service miles and 50% of operators' fare units. Fare units are defined as operators' passenger revenues divided by operators' base cash fare.

For FY 2007, FAP calculations were made using latest available validated data on vehicle service miles and fares reported from FY 2005. To allocate funding in FY 2007 for service additions by Culver City and Redondo Beach in 2007, budgeted data for these service additions was used. The funding levels for all operators were calculated in accordance with the Two Yea Lag elimination methodology described in attachment J. All Los Angeles County transit operators and Metro Operations submitted their Transit Performance Measures data for the FAP calculations. Operators' data and the methodologies used to calculate the allocations are shown on Attachment A-3. The budgeted data used for the operators adding service is shown on Attachment A-4. The revenue estimates used are consistent with the Board-adopted FY 2007 Budget and are shown on Attachment A-1. Attachment A-2 shows the subsidy amounts allocated to each operator.

Two types of FAP shares were generated – TDA/STA FAP shares and 95% of Proposition A 40% Discretionary (Proposition A) shares. Proposition A funds were capped at the Consumer Price Index (CPI). All STA and TDA Article 4 funds were allocated to the Included Operators. Growth of Proposition A revenues over CPI were allocated to the Eligible Operators. All unallocated Proposition A revenue growth over the CPI are to be added to the Proposition C 40% Discretionary revenues.

Attachment B

The Base Service Restructuring Program, Transit Service Expansion (TSE) Program, Bus Service Improvement Program (BSIP), Metro Bus Consent Decree services and the Municipal Operators Service Improvement Program (MOSIP) funded through regional Proposition C 40 % Discretionary funds were excluded from the FAP. Also, as in the past, for FY 2007, the funding levels for specific Proposition C 40% programs, such as Base Service Restructuring, TSE and BSIP have been increased according to the CPI for FY 2006-2007.

The TSE Program continues for five municipal operators for expansion or introduction of fixed route bus service in congested corridors. Metro Operations does not participate in this program.

The Base Service Restructuring Program continues for four municipal operators who added service sometime before 1990. These four municipal operators were given additional funding from both Proposition A 40% Discretionary and Proposition C 40% Discretionary.

The BSIP also continues to address service improvements on overcrowded non-Metro bus lines used primarily by the transit dependent. Metro Operations and all other Los Angeles County transit operators, except Claremont, La Mirada and Commerce, participate in this program.

The Metro Bus Consent Decree services continue to provide additional Metro bus service and other bus improvements to address the requirements of the Consent Decree, which the MTA executed in 1996.

MOSIP is continued as well and the calculations used are shown in Attachment C.

Attachment C-1

The FY 2007 Budget identifies \$17.4 million in Proposition C 40% Discretionary funds for the Municipal Operators Service Improvement Program or MOSIP, which was adopted by the Board in April 2001. The program as continued is intended to provide bus service improvements to the transit dependent in Los Angeles County by reducing overcrowding and expanding services. All of the municipal operators participate in this program, and they are allocated funding according to FAP calculation methodology.

Attachment C-2

The FY 2007 Budget identifies \$6 million in Proposition C 40% Discretionary Funds to mitigate the increase in fuel costs for the municipal operators. These funds are allocated according to the MOSIP allocation methodology.

Attachment D

For FY 2007, State TDA Article 8 funds are again allocated to areas outside the Metro service area. The amount allocated to each area is based on the proportion of population of these individual areas to the total population of Los Angeles County.

Attachment E

For FY 2007, State TDA Article 3 funds and Proposition A 25% Local Return and Proposition C 20% Local Return funds are allocated again to all Los Angeles County cities and the County of Los Angeles based on population according to state statutes and Proposition A and Proposition C ordinances. Carryover TDA Article 3 funds (in the amount of \$25,571) have been reallocated to cities receiving less than \$ 5,000. The Street and Freeway Subcommittee and the Technical Advisory Committee have approved this redistribution methodology in prior years.

Attachment F

For FY 2007, five percent (5%) of Proposition A 40% Discretionary funds have been allocated through Board-adopted Incentive Program guidelines. The Incentive Program was originally created in 1985 as a replacement for TDA Article 4.5. TDA Article 4.5 provides state transportation funds to cities for intra-community public transportation services. The Proposition A funds have less reporting requirements for the cities than the state TDA Article 4 funds.

In FY 2007, \$300,000 of Proposition Incentive funds programmed for Redondo Beach and \$175,000 of Proposition Incentive funds programmed for Norwalk/Santa Fe Springs Expanded Service. The Local Transit Systems Subcommittee approved bridge funding at their April 2006 meeting.

Attachment G

For FY 2007, Proposition C 5% Security funds again have been allocated to Los Angeles County transit operators and Metro Operations for security services. State law requires that each operator's share of funds be based on its share of unlinked boardings to total Los Angeles County unlinked boardings. The unlinked boardings used for allocating these funds are derived from the operator's and Metro's National Transit Database (NTD) reports.

Attachment H

Based on federal revenue estimates for FY 2007, \$183.8 million in Federal Transit Act Section 5307 Urban Formula funds are allocated to Los Angeles County transit operators and Metro Operations. Eighty-five percent (85%) of these funds have been allocated based on a capital allocation formula consisting of total vehicle miles number of vehicles, unlinked boardings, passenger revenue and base fare. Fifteen percent (15%) of these capital funds have been allocated on a discretionary basis with BOS review and concurrence. One percent (1%) of Section 5307 FY 2007 Capital funds have been reserved pending a revised allocation and fund tracking methodology from FTA.

Attachment I

Prior allocations of \$3.9 million from Section 5307, 15% Capital Discretionary Fund, have been reprogrammed by the request of the operator, and review and concurrence of BOS. Gardena is reprogramming \$2.9 million from their bus replacement project to their transit facility construction project due to the bid for the project being higher than estimated. Norwalk is reprogramming \$440,000 from its alternate fueling station project to installation of new unleaded fueling facilities. Norwalk's current facilities are diesel and with the purchase of gas/electric hybrid buses the unleaded fueling capacity is needed. Norwalk is also reprogramming \$563,000 changing from two alternatively fueled buses to replacement of one bus with gas/electric hybrid bus.

TDA Article 4
RESERVE BALANCE SUMMARY FOR CAPITAL PROJECTS
As of March 31, 2006

AGENCY	RESERVE BALANCE	CAPITAL PROJECTS
City of Culver City	\$19,866	Preventive maintenance, bus components and rehabilitation, bus stop improvements, computer equipment, and miscellaneous transit capital equipment.
Foothill Transit	\$23,210,624	Covina Transit Center, Covina Administration Offices, COP payments, destination sign replacements, floor repair - Pomona Center, bus stop enhancement, and El Monte Station Rehabilitation.
City of Gardena	\$5,403,822	Bus window & body rehabilitation, purchase expansion buses (gasoline hybrid), purchase of 150 bus stop trash receptacles, purchase engine rebuilds, transit facility project, bus tire purchase, and expansion buses.
Long Beach Transit	\$901,666	Bus components, bus rehabilitation, bus stop amenities, facility improvements, fleet replacement, office equipment, safety equipment, fire lease, and radio/advance communication system.
METRO	\$13,862,356	Metro Capital Program, including bus-related capital projects.
City of Montebello	\$1,532,759	Associated capital maintenance, transit coach tires, technology systems software, office furniture/computer & transit equipment, shop tools and equipment, and radio equipment.
City of Santa Monica	\$37,306,789	Facility improvements, revenue equipment, bike racks, yard improvements, fare collection system, computer enhancements, radio system, and miscellaneous bus projects.
City of Santa Monica - Rail	\$34,846,062	Exposition transit corridor improvements and rail capital projects.
City of Torrance	\$340,924	COP payment, transit enhancements, facility modifications, preventive maintenance, support equipment-engines and transmissions.
TOTAL	\$117,424,868	

Note: All reserves are in accordance with TDA Statutes and Guidelines.
All funds expire on June 30, 2009 unless re-reserved

STA
RESERVE BALANCE SUMMARY FOR CAPITAL PROJECTS
As of March 31, 2006

AGENCY	RESERVE BALANCE	CAPITAL PROJECTS
City of Culver City	\$547,393	Local match - 04 CNG buses, bike racks, and farebox equipment.
Foothill Transit	\$1,191,622	Misc. Transit Improvemnet
City of Gardena	\$265,922	Transit facility improvements.
City of La Mirada	\$27,973	Transit facility improvements.
METRO	\$2,573,188	Misc. Transit Improvemnet
City of Montebello	\$789,737	Transit facility improvements.
City of Norwalk	\$105,006	Transit facility improvements.
City of Redondo Beach	\$3,585	Transit facility improvements.
City of Santa Monica	\$22,911,809	Facility improvements, yard improvements, bus replacement, service vehicles, transit center, and downtown transit mall.
City of Torrance	\$15,727	Transit enhancements, administration equipment, support equipment - tires, paratransit vans, and bus rehabilitation.
TOTAL	\$28,431,962	

Note: All reserves are in accordance with TDA Statutes and Guidelines.

All funds will expire on June 30, 2009 unless re-reserved

**LOS ANGELES COUNTY MUNICIPAL OPERATORS
Municipal Operator Service Improvement Program**

FY 2002 - 06 Balance as of June 19, 2006

AGENCY	Balance	SERVICE IMPROVEMENT PLAN
Antelope Valley Transit Authority	\$610,837	Funds to support capital projects: Maintenance and operations facility phase II, purchase 3 Dial-a-ride expansion buses, purchase and implementation of ITS project, purchase/construct local transit transfer site, purchase of support vehicle, maintenance and administrative equipment, and installation of rotating Information Kiosk Tubes.
Commerce Municipal Bus Lines	\$85,076	Funds will be used to replace paratransit vans, transit buses, and transit support vehicles. Funds will also be used for bus stop improvements and construction of a compressed natural gas fueling station.
Foothill Transit	\$4,361,133	Funds will be used for capital improvements to include Emission Control Equipment, CNG Facility, Covina Transit Center, Automatic Vehicle Locator System, Pomona Structural Repairs, Farebox Replacements, and Fleet Maintenance Software.
Gardena Municipal Bus Lines	\$2,535,691	Funds will be used to assist with the purchase of eighteen (18) hybrid electric transit buses.
L.A.D.O.T	\$171,369	Funds will be used towards the operating costs of two of the newest Community DASH circulator services: DASH King-East and DASH Chesterfield Square.
Santa Clarita Transit	\$2,272,719	Funds will be used for bus capital and route 8 expansion.
Santa Monica Big Blue Line	\$12,263,002	Funds will be used to help finance the development of a new administration/maintenance facility
Torrance Transit System	\$1,593,556	Funds to support capital projects: bus refurbishment, bench replacement, other transit enhancements. Capital need is due to tightening city /agency budget situation.
Total	\$23,893,383	

Note: All reserves are in accordance with Municipal Operator Service Improvement Program guidelines.
All funds will expire on or before June 30, 2009

Los Angeles County Metropolitan Transportation Authority
 Proposition A and Proposition C Local Return Program
 Status of Capital Reserves - Existing
 As of May 2006

Existing Capital Reserves

CITY	PROJECT TITLE	APPROVAL DATE	TERMINATION DATE	PROPOSITION A	PROPOSITION C	TOTAL	STATUS
Arcadia	Capital Reserves - Pasadena Gold Line Mass Transit Station	6/3/2003	6/30/2006	\$ 2,000,000	\$ 3,000,000	\$ 5,000,000	City is currently in the planning stage. This project is long term, awaiting construction of Gold Line extension.
Cudahy	Street Overlay Projects	7/21/2005	6/30/2008	\$ -	\$ 300,000	\$ 300,000	Project in the beginning of the construction phase
Hermosa Beach	Pier Avenue Street Improvements Project	8/18/2004	9/1/2007	\$ -	\$ 1,992,000	\$ 1,992,000	Project is in the planning phase. Anticipate start of construction in FY06/FY07
Malibu	Malibu Canyon Road Street Overlay Project	8/18/2004	9/1/2007	\$ -	\$ 160,000	\$ 160,000	In design stage. Project to be started and completed in FY06/FY07.
Montebello	Wilcox Avenue Widening	6/3/2003	9/1/2006	\$ -	\$ 448,000	\$ 448,000	Soliciting bids and will award contract in June. Expect construction to start in August.
Montebello	Beverly/Rio Hondo Bridge Reconstruction	6/3/2003	9/1/2006	\$ -	\$ 1,200,000	\$ 1,200,000	Plans and specs competed. Awaiting allocation of FHWA to start construction.
Montebello	Whittier Boulevard Reconstructions Project Phase III	6/3/2003	6/30/2006	\$ -	\$ 267,000	\$ 267,000	Project is in the bid phase. Anticipate start of construction in July and completion in Nov 2005.
Pasadena	Metro Gold Line Enhancements	8/18/2004	9/1/2007	\$ 3,900,000	\$ 666,347	\$ 4,566,347	Project in the planning stage, multiple stations and multiple funding sources - match to federal funding
Pico Rivera	Capital Reserve Account - Widening at Rio Hondo	6/3/2003	9/1/2006	\$ -	\$ 1,499,000	\$ 1,499,000	Project in design phase.
Pico Rivera	Capital Reserve - Washington Blvd. Bridge	6/3/2003	9/1/2006	\$ -	\$ 2,600,000	\$ 2,600,000	Project in design phase.
Pomona	Mission Blvd. Grade Separation at State Route 71	9/1/2002	6/1/2006	\$ -	\$ 6,008,000	\$ 6,008,000	35% of drawings given approval from Caltrans. Project construction will begin in 2006.
San Gabriel	San Gabriel Blvd Street Improvements	9/1/2002	7/1/2006	\$ -	\$ 2,860,000	\$ 2,860,000	Project in multiple phases and is in middle of the work. LR funds provide match to STPL funds.
San Marino	Huntington Drive Street Improvement Project	7/21/2005	6/30/2008	\$ -	\$ 900,000	\$ 900,000	Project in the planning phase
Santa Monica	Rail Reserve: Exposition ROW Study	6/3/2002	Indefinite	\$ 3,559,155	\$ -	\$ 3,559,155	This project is ongoing and their MOU has no term limit.
South El Monte	Garvey Avenue Street Improvement Project	7/21/2005	6/30/2008	\$ -	\$ 478,000	\$ 478,000	Project in the beginning of the construction phase
South Gate	Otis Street Pavement Rehabilitation	6/23/2005	6/30/2008	\$ -	\$ 1,500,000	\$ 1,500,000	Project in the planning phase

**A RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY FOR FISCAL YEAR 2006-07
FOR LOCAL TRANSPORTATION FUND TRANSPORTATION DEVELOPMENT
ACT AND STATE TRANSIT ASSISTANCE FUND ALLOCATIONS**

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (Metro) is the designated Transportation Planning agency for the County of Los Angeles and is, therefore, responsible for the administration of the Transportation Development Act (TDA), Public Utilities Code Section 99200 et seq.;

WHEREAS, under Chapter 2.5, Article 5, the State Transit Assistance Fund (STA) Section 6753, allocations to claimants shall be made and take effect by resolution and shall designate; 1) the fiscal year for which the allocation is made; 2) the amount allocated to the claimant for each of the purposes defined in Sections 6730 and 6731; and 3) any other terms and conditions of the allocation, and

WHEREAS, Section 6659 requires that allocation instructions be conveyed each year to the county auditor by written memorandum of its executive director accompanied by a certified copy of the authorizing resolution; and

WHEREAS, the resolution shall also specify conditions of payment and may call for a single payment, for payments as moneys become available, or for payment by installments monthly, quarterly, or otherwise, and

WHEREAS, the amount of a regional entity's allocation for a fiscal year that is not allocated to claimants for that fiscal year shall be available to the regional entity for allocation in the following fiscal year, and

WHEREAS, Section 6754 requires that the regional entity may allocate funds to an operator or a transit service claimant only if, in the resolution allocating the funds, it finds all of the following:

- a.1 The claimant's proposed expenditures are in conformity with the Regional Transportation Plan.
- a.2 The level of passenger fares and charges is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements of PUC section 99268.2, 99268.3, 99268.4, 99268.5, and 99268.9, as they may be applicable to the claimant.
- a.3 The claimant is making full use of federal funds available under the Urban Mass Transportation Act of 1964, as amended.
- a.4 The sum of the claimant's allocations from the state transit assistance fund and from the local transportation fund does not exceed the amount the claimant is eligible to receive during the fiscal year.

- a.5 Priority consideration has been given to claims to offset reductions on federal operating assistance and the unanticipated increase in the cost of fuel, to enhance existing public transportation services, and to meet high priority regional, countywide, or area wide public transportation needs.

WHEREAS, the regional entity may allocate funds to an operator for the purposes specified in Section 6730 only if, in the resolution allocating the funds, it finds all of the following:

- b.1 The operator has made a reasonable effort to implement the productivity improvements recommended pursuant to PUC Section 99244.
- b.2 A certification by the Department of the California Highway patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, as required in PUC Section 99251. The certification shall have been completed within the last 13 month, prior to filing claims.
- b.3 The operator is in compliance with the eligibility requirements of PUC Section 99314.6 or 99314.7

WHEREAS, the regional entity may allocate funds to an operator to exchange funds pursuant to PUC Section 99314.4(b) only if, in the resolution allocating the funds made available pursuant to PUC Section 99231, it find that the operator is eligible to receive state transit assistance funds.

WHEREAS, Metro staff in consultation with the Transit Operators and Cities has developed allocations in accordance with the Transportation Development Act as previously specified.

NOW THEREFORE,

- 1.0 The Metro Board approves the allocation of TDA and STA for the Fiscal Year 2006-07 to each claimant for each of the purposes as specified in Attachment A.
- 2.0 The Metro Board hereby finds that the claimant's proposed expenditures are in conformity with the Regional Transportation Plan.; and the level of passenger fares and charges is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements; and the claimant is making full use of federal funds available under the Urban Mass Transportation Act of 1964; and the sum of the claimant's allocations from the state transit assistance fund and from the local transportation fund does not exceed the amount the claimant is eligible to receive during the fiscal year; and that priority consideration has been given to claims to offset reductions on federal operating assistance and the unanticipated increase in the cost of fuel, to enhance existing public transportation services, and to meet high priority regional, countywide, or area wide public transportation needs.

- 3.0 The Metro Board hereby finds that, for the purposes specified in Section 6730, the operators eligible for funding have made reasonable efforts to implement the productivity improvements recommended pursuant to PUC Section 99244. A certification by the Department of the California Highway patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, has been remitted. The operator is in compliance with the eligibility requirements of PUC Section 99314.6 or 99314.7
- 4.0 The Metro Board hereby authorizes that the operators listed in Attachment A are eligible to receive state transit assistance funds.
- 5.0 The Metro Board hereby authorizes that the operators may receive payment upon meeting the requirements of the STA eligibility test and submittal of a TDA and STA claim.

CERTIFICATION

The undersigned, duly qualified and acting as the Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct representation of the Resolution adopted as a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on Thursday, June 22, 2006.

MICHELE JACKSON
Metro Board Secretary

DATED:

(SEAL)