



Los Angeles County  
Metropolitan Transportation Authority

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REGULAR BOARD MEETING  
APRIL 30, 2007

SUBJECT: STATE LEGISLATION

ACTION: ADOPT STAFF RECOMMENDED POSITIONS

RECOMMENDATION

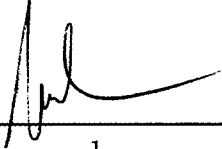
A. AB 889 (Lieu) – Establishes a Metro Green Line Construction Authority. OPPOSE

ATTACHMENT

Attachment A

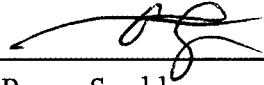
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Chief Executive Officer

**BILL:** AB 889

**AUTHOR:** ASSEMBLYMAN TED LIEU  
(D- TORRANCE)  
SENATOR JENNY OROPEZA  
(D-CARSON)

**SUBJECT:** METRO GREEN LINE CONSTRUCTION AUTHORITY

**STATUS:** ASSEMBLY

**ACTION:** OPPOSE

**RECOMMENDATION**

Adopt an “Oppose” position on AB 889 (Lieu) that would establish a Metro Green Line Construction Authority.

**ISSUE**

AB 889 has been introduced to create a construction authority for possible future extensions of the Metro Green Line to the airport and a coastal alignment to the south. Staff is concerned that the creation of a construction authority for this project may be premature and potentially fractious in light of the fact that funding for the project has not been identified.

**PROVISIONS**

Existing law establishes the Los Angeles County Metropolitan Transportation Authority (LACMTA) as responsible for transit projects in Los Angeles County. Existing law also establishes the Exposition Metro Line Construction Authority and the Foothills Gold Line Construction Authority to oversee final design and construction contracts for those respective projects.

AB 899 would:

- Establish the Metro Green Line Construction Authority for the purpose of awarding and overseeing final design and construction contracts for completion of the Los Angeles-Metro Green Line light rail project including an initial segment to Los Angeles International Airport (LAX) and a coastal extension of the Green Line to the south.
- Require the construction authority to conduct the financial studies and the planning and engineering necessary for completion of the project, adopt an administrative code, and as necessary for final design and construction, complete a detailed management, implementation, safety, and financial plan for the project

and submit the plan to the Governor, the Legislature, and the California Transportation Commission.

- Require that the Legislature determine the composition of the construction authority.
- Authorize the governing board to appoint an executive director to serve at the pleasure of the construction authority.
- Require Metro to enter into an agreement with the construction authority to hold in trust with the construction authority all real and personal property, and any other assets, accumulated in the planning, design, and construction of the project, including, but not limited to, rights-of-way, documents, 3rd-party agreements, contracts, and design documents, as necessary for completion of the project, to outline the design review, construction, and testing process, and to describe the funding sources of the authority, the financial elements, and the approved budget for the project.
- Require the construction authority to enter into a memorandum of understanding with Metro that specifically addresses Metro's abilities to review any significant changes in the scope of the design or construction of the project.
- Prohibit the construction authority from encumbering the project with any obligation that is transferable to Metro upon completion of the design and construction of the project, except as specified.
- Require the authority to be dissolved upon completion of the project. Metro would be responsible for operating the project.

## IMPACT ANALYSIS

Assemblyman Ted Lieu and Senator Jenny Oropeza have introduced AB 889 to advance the extension of the Metro Green Line in the South Bay and to LAX. The authors and others have indicated that they feel Metro should allocate Proposition 1B revenues to the project.

Metro is currently examining extensions of the Green Line as well as other new transit projects. Additionally, the Board will update the Long Range Transportation Plan later this year and this process will determine future transit projects to move forward.

In connection with the Green Line, Metro has completed a technical feasibility analysis of the Harbor Subdivision which was presented to the Board in January. The analysis showed that it is feasible to operate passenger transit service along this rail right of way with freight service under certain circumstances. Additionally, a potential route for the Crenshaw Corridor project, which is currently in the process of procuring a consultant, will also evaluate the Harbor Subdivision.

As noted, two rail construction authorities currently exist in Los Angeles County and they are governed by statutes similar to the one proposed for the Green Line Construction Authority. The statute which created the Exposition Construction Authority included language which corrects issues identified with the Foothills Construction Authority. This language included provisions specifying that the Exposition Construction Authority would work cooperatively with Metro in a number of different areas such as identifying funding,

design review and development of agreements. AB 889 includes many of these provisions as it more closely mirrors the Exposition Construction Authority statute.

One significant difference is that the Exposition Construction Authority includes Metro's Chief Executive Officer as an ex-officio non-voting member of its board. AB 889 does not identify a specific board composition but rather leaves that determination to the Legislature at a later time. As such, Metro's CEO is not guaranteed the same level of participation in the Green Line Authority.

The approval of Proposition 1B will provide a great surge of funding for Los Angeles County to move forward on delayed projects. The Board will be challenged with prioritizing funding for projects that bring the most benefit to our region. Extending the Metro Green Line may be an important component of a comprehensive transit network. However, until that decision is made and funding is identified for the projects, staff feels that this effort would be premature.

At this time, creating a construction authority for this line would create another entity that competes for limited transportation funds in Los Angeles County. Metro currently enjoys a cooperative working relationship with the Exposition Construction Authority. Consistent with Metro's Long Range Transportation Plan, Metro is working with the Authority on funding and construction coordination issues. Since future Metro Green Line extensions and funding have not yet been identified, staff is concerned that the creation of another authority would create competition rather than cooperation.

Staff therefore recommends that the Board of Directors adopt an "Oppose" position on AB 889.

