

MINUTES

**Independent
Citizens'
Advisory and
Oversight
Committee**

**INDEPENDENT CITIZENS' ADVISORY
AND OVERSIGHT COMMITTEE MEETING**

**MTA Headquarters
3rd Floor - Board Room
One Gateway Plaza
Los Angeles**

One Gateway
Plaza
Los Angeles, CA
90012

Tuesday, January 23, 2007 – 10:00 A.M.

213-922-4600

Called to Order at 10:05 a.m.

Members Present:

Russ Lesser, Chair
Brian Russell, Vice Chair
Emina Darakjy
Dwight Ham

1. **APPROVED minutes** of Regular Board meeting held **January 11, 2006**.
2. **RECEIVED AND FILED FY 2006 Audit of Propositions A & C Revenues and Expenditures.**

Director Russell commented that findings of the FY 2006 Audit appear similar to those of previous years. He mentioned that while capital funds are flowing consistently, operating funds may need to be subjected to greater scrutiny.

Director Darakjy inquired about the possibility of receiving the Independent Auditor's Report, dated December 26, 2006, as soon as it becomes available in order to allow more time to review the information.

Terry Matsumoto, Chief of Financial Services, responded that the report was transmitted as soon as it was available. He mentioned that the completion of multiple audits during the past few months has posed some constraints on staff.

Director Ham asked staff to highlight noteworthy items presented in the financial statements.

Mr. Matsumoto responded that Prop A and C funds are stable and that revenue and expenditure patterns are consistent with prior years. He stated that bus operating funds have escalated over the past ten years, and that the Consent Decree is consuming all of the formula subsidies, which makes it difficult for the agency to invest in future transit capital. Mr. Matsumoto reported that the Metro Board will be considering a possible fare increase in the upcoming budget cycle.

Director Ham asked if there is a correlation between population growth (leading to increased use of mass transit) and financial demands placed on the agency.

Mr. Matsumoto responded that the number of registered vehicles has been increasing steadily over the past decade, resulting in greater congestion. Higher gas prices in recent years have provided an impetus for increased transit use, but transit costs have also risen.

Chair Lesser commented that he was impressed by how efficiently the Metro system operates despite the challenges of overseeing a large bus and light rail network. He commended staff for their hard work and efforts. He asked why the budgets for Prop A and C are not the same given that the agency receives the same ½% sales tax from both Prop A and C.

Mr. Matsumoto responded that the budgets are nearly the same. He explained that the California State Board of Equalization processes each sales tax separately and there may be discrepancies in reporting of information by vendors.

3. APPROVED:

- A. scheduling a **Public Hearing** for Monday, April 9, 2007 at 10:00 a.m. to receive input on FY 2006 Audit of Propositions A & C Revenues and Expenditures; and
- B. Notice of Intent to Hold Public Hearing.

Ron Smith, Regional Planning, provided an overview of the uses of Propositions A and C funds. Staff distributed handouts of the presentation.

Director Russell inquired about the criteria for allowing hybrid vehicles to travel in HOV/carpool lanes and whether yellow carpool access stickers are still being issued.

Mr. Smith responded that staff does not have the information and will follow up to provide it.

Director Darakjy asked if Prop C 25% Highway funds can be used for soundwalls in addition to HOV lanes.

Mr. Smith responded that these funds can be used for soundwalls if the soundwalls are used as a component of highways, provided that both are built at the same time. He noted that there may be gray areas, especially if the funds are being used solely for soundwalls.

Director Lesser asked about any developments as far as extending the light rail to LAX.

Mr. Smith responded that the Crenshaw Line is expected to start at the Expo Light Rail Line as it crosses Crenshaw Boulevard and then extend towards LAX along an existing railroad right-of-way in approximately 2014. However, it has not been determined at this time how the Crenshaw Line will be integrated with LAX nor has the type of mode (either articulated buses or rail cars) been determined. It is possible that buses similar to the Orange Line in the San Fernando Valley might be utilized instead of rail cars given their flexibility to move outside of the actual guideway.

Director Ham commented that staff recently gave Committee members a private tour of the Orange Line and that he was impressed by the success of the Line. Director Ham stated that he hopes there will be opportunities for future tours. He asked if there are any plans to expand the light rail to the Coliseum, given that the City may consider hosting the 2016 Olympics.

Mr. Smith responded that the EIR for the first phase of the Expo Line to Culver City does not include any analysis on the 2016 Olympics. If Los Angeles is selected to host the Olympics in 2016, it is likely that staff will model its transportation plan on the one used during the 1984 Olympics.

Director Darakjy inquired about any bills that have been introduced that pertain to soundwalls.

Mr. Smith responded that the building of soundwalls is handled through the agency's portion of the State Transportation Improvement Program. He added that the agency has a soundwall program which is overseen by Planning staff.

Director Darakjy asked for names of specific staff members who oversee the soundwall program.

Mr. Smith responded that Renee Berlin and her South Bay area team handle the countywide program for soundwalls.

4. Public Comment - none.

ADJOURNED at 10:40 a.m.

Michele Chau

Prepared by: Michele Chau
Recording Secretary