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**PLANNING AND PROGRAMMING COMMITTEE  
APRIL 16, 2008**

**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE  
APRIL 17, 2008**

**SUBJECT: FY 2008 STATE PROPOSITION 1B TRANSIT SECURITY FUNDING  
FOR LACMTA AND RELATED LOCAL BRIDGE FUNDING FOR  
LOS ANGELES COUNTY TRANSIT OPERATORS**

**ACTION: APPROVE PROGRAMMING OF STATE AND LOCAL FUNDING**

**RECOMMENDATION**

- A. Approve programming of up to \$16.8 million that is available to the Los Angeles County Metropolitan Transportation Authority (LACMTA) from the fiscal year (FY) 2008 State Proposition 1B Transit Security Program for eligible transit system safety, security and disaster response capital projects, as shown in Attachment A in two tiers, as follows:
  1. Tier 1, if the Governor's Office of Homeland Security (OHS) approves an application for funding the Metro Rail Gating Project; and
  2. Tier 2, if OHS does not approve an application for funding the Metro Rail Gating Project;
- B. Adopt a resolution that OHS requires of agencies and transit operators for obtaining financial assistance from OHS under the FY 2008 State Proposition 1B Transit Security Program, as shown in Attachment B;
- C. Approve programming of up to \$1.5 million in bridge funding to be derived from either available Proposition C 40% Discretionary or Proposition A 40% Discretionary Growth Over Inflation (local sales taxes revenues) in the FY09 LACMTA Budget for Los Angeles County transit operators, as shown in Attachment C, to support their eligible transit system safety, security and disaster response capital projects, as established by OHS for the FY 2008 State Proposition 1B Transit Security Program; and
- D. Authorize the Chief Executive Officer to negotiate and execute agreements between LACMTA and the Los Angeles County transit operators to provide the up to \$1.5 million in bridge funding as approved as part of the FY 2008 State Proposition 1B Transit Security Program.

## **ISSUE**

By letter dated January 4, 2008, the State Controller's Office (SCO) has notified us that it has up to a total of \$16.8 million under the FY 2008 State Proposition 1B Transit Security Program (Prop 1B Transit Security) for eligible transit system safety, security and disaster response capital projects. We must program and apply for the \$16.8 million by the initial OHS deadline of April 11, 2008, although OHS has indicated that they would consider follow-up applications through their overall June 2008 program deadline. Also, to account for a Formula Allocation Procedure (FAP) distribution of the Prop 1B Transit Security funding to Los Angeles County transit operators instead of the SCO distribution, we should establish \$1.5 million in bridge funding.

## **POLICY IMPLICATIONS**

Approving this recommendation will help to implement priorities that the Board of Directors establishes for transportation funds through the Long Range Transportation Plan for Los Angeles County and that are now available for programming.

## **OPTIONS**

The Board of Directors could elect not to program all or part of the \$16.8 million in available Prop 1B Transit Security as recommended. However, we do not recommend that option because OHS could take back any un-programmed amount of the Prop 1B Transit Security funding now available after June 30, 2008 (the end of the 2008 fiscal year).

The Board also could elect not to provide the recommended \$1.5 million in bridge funding derived from either available Proposition C 40% Discretionary or Proposition A 40% Discretionary Growth Over Inflation (local sales taxes revenues) to Los Angeles County transit operators, as shown in Attachment C. However, we do not recommend that option as the bridge funding will allow for an FAP distribution of the Prop 1B Transit Security funding to Los Angeles County transit operators instead of the SCO distribution. This FAP distribution would be similar to what the Board established with the FY 2008 State Prop 1B Transit Modernization Program last year.

## **FINANCIAL IMPACT**

Funding of up to \$16.8 million will be included in the FY09 Budget according to cash flow requirements from our Operations department for eligible project expenses. The funding will be included in the FY09 LACMTA Budget in cost center cc# 3020 UFS/TAP Operations and project #210094 MRL Rail Station Gating, or cost center cc# 2610 and "Multiple Projects To Be Determined". Using the available state Prop 1B Transit Security bond funds to finance projects shown in Attachment A, which otherwise would have been funded with our local Proposition A and/or Proposition C sales tax funds, will free up the local sales tax funds for other uses as the Board of Directors may approve.

Approving the \$1.5 million of bridge funding derived from either available Proposition C 40% Discretionary or Proposition A 40% Discretionary Growth Over Inflation (local sales taxes revenues) for the Los Angeles County transit operators shown in Attachment C will allow for an FAP distribution of the Prop 1B Transit Security funding instead of the SCO distribution. The recommended programming will be incorporated into the FY09 Budget under cost center cc #0441 project #410056 Prop A Discretionary for Bus Operators or project #410062 Prop C Discretionary MOUs.

## **BACKGROUND**

California voters approved Proposition 1B (Prop 1B) in the November 2006 general election. Prop 1B enacts the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 to authorize \$19.925 billion of state general obligation bonds for specified purposes, including state transportation improvement program augmentation and transit improvements.

Under Prop 1B, a \$600 million, Prop 1B Transit Security Program (or the California Transit Security Grant Program - California Transit Assistance Fund [CTSGP-CTAF], as the OHS refers to it) has been established. As the State Legislature must appropriate funds annually, we do not yet know what the precise timing of future funding will be, except that for FY 2008 the Legislature appropriated \$60 million for the California Transit Assistance Fund. These Transit Security bond funds were made available, as appropriated by the Legislature, to the SCO to allocate according to Public Utilities Code formula distributions: 50% allocated using the State Transit Assistance (STA) formula in Section 99314 (operator revenue formula) and 50% using the STA formula in Section 99313 (population formula). By letter dated January 4, 2008, the SCO notified eligible agencies and transit operators statewide of those allocations for FY 2008. These Transit Security bond funds are not STA funds.

### **OHS Guidelines and Project Requirements**

OHS has developed guidelines and project requirements for this Transit Security Program. OHS will not approve bond fund allocations for any project until the agency or transit operator provides a funding plan that demonstrates that all funds, including the bond funds, are expected to be available and sufficient to complete the project. OHS will approve bond funds for phased projects, only if the benefits associated with each phase are sufficient to meet the objectives of the program. There are reporting and audit requirements as well.

Eligible projects must be ready-to-go, fully funded capital projects that will address areas of transit system safety, security and/or disaster response. More specifically, such eligible projects may include the following:

- A. A capital project that provides increased protection against a security or safety threat, including, but not limited to the following:
  - 1) Construction or renovation projects that are designed to enhance the security of public transit stations, tunnels, guideways, elevated structures or other transit facilities and equipment;
  - 2) Explosive device mitigation and remediation equipment;

- 3) Chemical, biological, radiological and nuclear explosives search, rescue or response equipment;
  - 4) Interoperable communications equipment;
  - 5) Physical security enhancement equipment;
  - 6) The installation of fencing, barriers, gates or related security enhancements that are designed to improve the physical security of transit stations, tunnels, guideways, elevated structures or other transit facilities and equipment; and
  - 7) Other security-related projects approved by OHS.
- B. A capital project that increases the capacity of transit operators to prepare for disaster-response transportation systems that can move people, goods, emergency personnel and equipment in the aftermath of a disaster.

Agencies and transit operators receiving FY 2008 allocations of Prop 1B Transit Security bond money from the SCO must expend their funds on eligible capital projects no later than March 31, 2011. Funds remaining unexpended thereafter will revert to OHS for reallocation in subsequent fiscal years, and not necessarily to those agencies or transit operators to whom the SCO first allocated them. Applications for the FY 2008 allocation of bond funds were due April 11, 2008, and OHS award letters are expected in May 2008.

#### Metro Gating Project (Tier 1)

Tier 1 of Attachment A identifies the Metro Rail Gating Project as the only project for which we have submitted an application for Prop 1B Transit Security bond funding by the April 11, 2008 deadline. The Board of Directors approved the Metro Rail Gating Project at its February 28, 2008 meeting. For the Metro Rail Gating Project, we have submitted a request for funding all but the lease portion of the project, which OHS has indicated is ineligible. We have provided application information that supports eligibility under the OHS guidelines. We also have provided information indicating that we can spend down all Transit Security allocated funding for the Gating Project by a March 31, 2011 expenditure deadline.

#### Other Prop 1B Transit Security Projects (Tier 2)

Tier 2 of Attachment A shows projects for which we will submit follow-up applications with Board approval of our recommended FY 2008 Prop 1B Transit Security programming, if for some reason, OHS does not approve our application for the Metro Rail Gating Project. OHS has indicated that they would consider other follow-up applications on a case-by-case basis after their April 11, 2008 submittal deadline, but the applications would have to be submitted and considered before their overall June 2008 program deadline. The Tier 2 transit capital projects shown in Attachment A include those projects that we believe to be eligible under the OHS Prop 1B Transit Security Program guidelines and that can spend down all Transit Security allocated funding by a March 31, 2011 expenditure deadline.

## Prop 1B Transit Security Bridge Funding for FY 2008

The SCO also has notified those Los Angeles County transit operators eligible to receive annual STA funding of their individual allocations of FY 2008 Prop 1B Transit Security bond funds. The SCO determined the allocations statewide using the STA formula in Section 99313 (population formula). We are recommending that \$1.5 million to be derived from either available Proposition C 40% Discretionary or Proposition A 40% Discretionary Growth Over Inflation (local sales taxes revenues) be programmed to provide the bridge funding needed to allow for an FAP distribution of the Prop 1B Transit Security funding to Los Angeles County transit operators, instead of the SCO distribution.

Attachment C shows an FAP distribution of the FY 2008 Prop 1B Transit Security bond funds to all STA-eligible transit operators and a distribution of \$1.5 million in bridge funding to all transit operators who are not made whole by the STA formula distribution, including the Los Angeles Department of Transportation (LADOT), Santa Clarita Transit and Foothill Transit (Bus Service Continuation Program [BSCP]). To receive their share of the \$1.5 million in recommended funding, the operators identified in Attachment C must adhere to all requirements as established by OHS for the FY 2008 Prop 1B Transit Security Program, including submittal of eligible projects, funding plans and schedules for consideration. They also must comply with the reporting and audit requirements of the Transit Security Program.

### **NEXT STEPS**

If the Board of Directors approves this recommendation, we will follow up with OHS to secure up to \$16.8 million in FY 2008 Prop 1B Transit Security Program funding for the Metro Rail Gating Project or the projects shown in the second tier of Attachment A. We expect to receive OHS award notices in May or June 2008 and approved funding by July or August 2008. Also with Board approval, we will proceed to distribute the \$1.5 million in bridge funding to all Los Angeles County transit operators, as shown in Attachment C, with eligible projects.

### **ATTACHMENT(S)**

- A. FY 2008 Prop 1B Transit Security Project List
- B. OHS Governing Body Resolution
- C. FY 2008 Proposition 1B Transit Security (FAP Allocation Method)

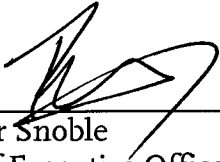
Prepared by: James Allen, Transportation Planning Manager  
Regional Program Management

Frank Flores, Executive Officer  
Programming and Policy Analysis



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Carol Inge  
Chief Planning Officer



For Roger Snoble  
Chief Executive Officer

**ATTACHMENT A**

**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
Security 2610 - Prop. 1B Transit Security FY 2008 Allocation  
(\$000)**

Project	Total	Project Totals by Allocation *		
		FY 09	FY 10	FY 11
<b>Tier I</b>				
Metro Rail Gating Project	16,800	9,000	6,800	1,000
<b>Total Programming Request for Tier I</b>	<b>16,800</b>	<b>9,000</b>	<b>6,800</b>	<b>1,000</b>
<b>Tier II **</b>				
Mobile Multi-Sensor Array for Metro Rail Entry Screening	5,500	1,000	3,500	1,000
Mobile CNG Refueling Stations (10) to Support Major Evacuations/Provide Back-up for Divs.	4,338	1,000	1,669	1,669
Physical Barriers and Fencing for the USG Multi-Modal Transportation Complex	600	-	600	-
Automated Bollards for Main Entrances to the USG Multi-Modal Transportation Complex	400	-	400	-
Metro Security Control Room Dispatch Center - SOCC Relocation, Equipment Upgrades	250	-	250	-
Metro Mobile Command Post Vehicle for Emergency Operations - Enhanced C4i	600	-	600	-
Mobile Large Vehicle Explosive Detection System (Two Units)	900	-	900	-
Bomb Resistant or Clear Trash Receptacles for Metro Facilities	600	-	600	-
Decentralized Emergency and Mass Disaster Palletized Supplies for Metro	200	-	200	-
Metro Security Mobile Command Post (Mobile CP)	110	-	110	-
Three-Wheel Electric Patrol Units (T3 Motion)	102	-	102	-
In-Ground Bollards and Other Concrete Barriers Throughout the Metro System	3,000	1,000	1,000	1,000
Training Simulators to Integrate Metro Operations with Metro Security and Transit Police	200	-	200	-
<b>Total Programming Request for Tier II</b>	<b>16,800</b>	<b>3,000</b>	<b>10,131</b>	<b>3,669</b>

\* NOTE - Annual programmed amounts for projects are estimated and may be revised depending upon individual project needs and State funding availability, without changing total programmed amounts for projects.

\*\* NOTE - Tier II are alternative projects, should part or all of the Metro Rail Gating Project be ineligible for Prop 1B funds.

## Attachment B

### Governing Body Resolution

(FY 07-08 Prop 1B-6061-002)

BE IT RESOLVED by the Board of Directors of the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (LACMTA) that the Chief Executive Officer, or his designee, is hereby authorized to execute for and on behalf of the LACMTA, a public entity established under the laws of the State of California, any actions necessary for the purpose of obtaining state financial assistance provided by the Governor's Office of Homeland Security (OHS) under the fiscal year (FY) 2008 Proposition 1B Transit Security Program/California Transit Security Grant Program for the projects approved in Board Report dated April 14, 2008 (as attached).

Passed and approved this 24<sup>th</sup> day of April, 2008

### *Certification*

I, Michele Jackson, duly appointed and Board Secretary of the Los Angeles County Metropolitan Transportation Authority, do hereby certify that the above is a true and correct copy of a resolution passed and approved by the Board of Directors of the Los Angeles County Metropolitan Transportation Authority on the 24<sup>th</sup> day of April, 2008.

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MICHELE JACKSON  
Board Secretary

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(Date)



**Fiscal Year 2008 Proposition 1B Transit Security  
(FAP Allocation Method)**

Allocation Basis - FY2008 FAP					
[A]	[B]	[C]	[D]	[E]	
	FAP FY08 Allocation%	FAP Allocation	FAP Allocation Over (Under) STA Allocation Basis	FY08 Bridge Funding Allocation	
<b>State STA Allocation Basis</b>					
\$ 10,058	0.097611%	\$ 9,775	\$ (283)	\$ -	
3,073	0.032677%	3,272	199	199	
21,343	0.075558%	7,567	(13,776)	-	
66,090	1.373482%	137,546	71,456	71,456	
327,193	6.303267%	631,232	304,039	304,039	
76,732	1.447242%	144,932	68,200	68,200	
8,102	0.047675%	4,774	(3,327)	-	
371,111	6.276549%	628,557	257,445	257,445	
151,698	2.092123%	209,513	57,815	57,815	
7,805,715	75.106650%	7,521,456	(284,258)	-	
71,626	0.743752%	74,482	2,856	2,856	
9,133	0.085698%	8,582	(551)	-	
267,091	4.756897%	476,373	209,282	209,282	
115,470	1.560820%	156,306	40,837	40,837	
9,304,435	100.000000%	10,014,368	709,933	1,012,130	
<b>Subtotal Included</b>					
<b>Eligible Operators</b>					
Antelope Valley	1.566872%	156,912	61,126	61,126	
Santa Clarita	1.452658%	145,474	145,474	145,474	
City of Los Angeles	1.746704%	174,921	174,921	174,921	
Foothill BSCP	0.823965%	82,515	82,515	82,515	
<b>Subtotal Eligible</b>	5.590199%	559,823	464,037	464,037	
Total all Operators	105.590199%	10,574,191	1,173,970	1,476,166	
SCRRA					
Grand Total	105.590199%	\$ 10,574,191	\$ 1,173,970	\$ 1,476,166	

