

RECAP of Proceedings

Regular Board Meeting Board of Directors

One Gateway Plaza
3rd Floor Board Room

Called to Order at 9:54 a.m.

Directors Present

Diane DuBois, Chair
Eric Garcetti, 1st Vice Chair
Mark Ridley-Thomas, 2nd Vice Chair
Michael Antonovich
Mike Bonin
Jacquelyn Dupont-Walker
John Fasana
Don Knabe
Paul Krekorian
Gloria Molina
Ara J. Najarian
Pam O'Connor
Zev Yaroslavsky
Carrie Bowen, non-voting member

Officers

Arthur T. Leahy, Chief Executive Officer
Michele Jackson, Board Secretary
Karen Gorman, Acting Ethics Officer
Karen Gorman, Inspector General
County Counsel, General Counsel



Metro

Los Angeles County
Metropolitan Transportation Authority

1. APPROVED **Consent Calendar** Items: 2, 5, 6, 7, 8, 9, 10, 14, 15, 16, 17, 19, 21, 29, 33, 35, 36, 44, 46, 48, 54 and 52.

Consent Calendar items were approved by one motion except item 51 which was held by a Director for discussion and/or separate action.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	A	Y

2. APPROVED ON CONSENT CALENDAR **Minutes of the Special Board Meeting held on April 21, 2014 and the Regular Board Meeting held April 24, 2014.**

3. RECEIVED Chair's Report.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	A	Y	A	Y	Y	Y	Y	Y	A	A	Y

4. Chief Executive Officer's Report - NONE.

5. AUTHORIZED ON CONSENT CALENDAR the extension and execution of Memorandum of Understanding by the Chief Executive Officer for the **1) Support for Homeless Re-Entry Program (SHORE - \$500,000 annual budget); 2) Immediate Needs Transportation Program (INTP - \$5,000,000 annual budget); and 3) Rider Relief Transportation Program (RRTP - \$5,000,000 annual budget) for five years** beginning Fiscal Year (FY) 2015, subject to availability of funds approved through the budget process. Additionally, authorizing:

(Continued on next page)

JF = J. Fasana	ZY = Z. Yaroslavsky	MRT = M. Ridley-Thomas	PK = P. Krekorian
MB = M. Bonin	EG = E. Garcetti	AN = A. Najarian	
MA = M. Antonovich	DD = D. DuBois	GM = G. Molina	
PO = P. O'Connor	DK = D. Knabe	JDW = J. Dupont-Walker	

LEGEND: Y = YES , N = NO, C = CONFLICT, ABS = ABSTAIN, A = ABSENT, P = PRESENT
C = Soft Conflict; C = Hard Conflict

(Item 5 - continued from previous page)

- A. re-allocation of the coupon printing expense, estimated at \$100,000 for FY15, from the administration budget to the transportation budget so that the full value of the administrative share of \$500,000 is available for the program administration;
 - B. allocate additional funding in the amount of \$20,000 for the administration of the SHORE program, bringing the total funded value to \$520,000 (an increase of 4%); and
 - C. a change in the distribution of INTP fare media to allow for up to 65% of the subsidy value to be made available through the token program, increasing the token share from its current level of 50%. Conversely, the subsidy value allocated to the taxi program would decrease from 50% to 35%.
6. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer or his delegate to sign the Petition and cast a ballot in support of the **Downtown Industrial District Business Improvement District and property assessments.**
7. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer or his delegate to sign the Petition and cast a ballot in support of the **North Hollywood Transit Business Improvement District and property assessments.**
8. AUTHORIZED ON CONSENT CALENDAR delegating authority to the Chief Executive Officer to determine the Los Angeles County Metropolitan Transportation Authority's participation in **Benefit Assessment District where the total assessment over the term of the BID does not exceed \$500,000.**
9. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to execute the **\$207 million Measure R Local Match Financial Contribution Agreement to facilitate payment by the City of Los Angeles of its local share contribution of certain Measure R Transit project costs.**

10. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to revise the Life-of-Project for:

A. **CP 212005 from \$734,364 to \$1,020,832, an increase of \$286,468;** and

B. **CP 212002, from \$1,400,000 to \$1,509,114, an increase of \$109,114.**

14. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to negotiate and execute a cost-plus-fixed-fee Contract No. PS2415-3268 to **RailPros, Inc. for the Van Nuys North Platform Project** for an amount not-to-exceed \$3,776,616, inclusive of options. This contract is for a base of two years plus three one-year options.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	A	Y	Y	C	Y	Y	Y	Y	A	A	C

15. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to:

A. execute a **\$2 million Funding Agreement with South Coast Air Quality Management District for Metro’s participation in the Zero Emission Truck Demonstration Project;** and

B. include \$750,000 in the FY15 budget for this effort.

16. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to award a 12 month, cost-plus-fixed-fee Contract No. RFP PS4720-3252 to **V&A, Inc., for Environmental Clearance and Preliminary Engineering Services for Intersection Improvements in the City of Whittier,** in an amount not-to-exceed \$794,276.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	A	Y	Y	C	Y	Y	Y	Y	A	A	C

17. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to award a 12-month, cost-plus-fixed-fee Contract No. PS4720-3251 to **PacRim Engineering, Inc., for Environmental Clearance and Preliminary Engineering Services for Intersection Improvements in the Cities of La Mirada, Santa Fe Springs, and Cerritos**, in an amount not-to-exceed \$592,884.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	C	A	Y	Y	C	Y	Y	Y	Y	Y	Y	C

19. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to execute a Memoranda of Understanding with the **Orange County Transportation Authority (OCTA) and the Ventura County Transportation Commission (VCTC) for Metro to provide regional rideshare services.**

21. APPROVED ON CONSENT CALENDAR the finding that all **88 cities and the County of Los Angeles are in conformance with the Congestion Management Program for Los Angeles County.**

29. AUTHORIZED ON CONSENT CALENDAR:

A. receiving and filing report on **service changes approved by the Service Councils for the June 2014 service change program;** and

B. adopting the finding of the Title VI evaluation of the major changes included in the June 2014 Service Change program.

33. AUTHORIZED ON CONSENT CALENDAR:

A. the Chief Executive Officer (CEO) to execute a Change Modification No. 1 to Contract No. MC071, to **Westside Extension Support Team (WEST) to continue providing Construction Management Support Services through FY15 for the Westside Purple Line Extension Project (Section 1)**, in an amount not-to-exceed \$9,830,336, increasing the total contract value from \$4,683,115 to \$14,513,451; and,
(Continued on next page)

(Item 33 – continued from previous page)

B. establishing an increase in Contract Modification Authority in an amount not-to-exceed \$983,034, increasing the total Contract Modification Authority from \$702,467 to \$1,685,501 and authorizing the CEO to execute individual Contract Modifications within the Board approved Contract Modification Authority.

35. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to execute a Modification implementing a **settlement agreement between Metro and Brutoco Construction and Engineering Company, Inc. for all outstanding requests for change and claims related to the Metro Orange Line Extension** in the amount of \$4,400,000, increasing the Contract Price from \$88,410,707 to \$92,810,707.
36. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer (CEO) to negotiate and execute contract modification to Contract C0988 with **Walsh/Shea Corridor Constructors, to implement a Microbiologically influenced Corrosion fire suppression system in the underground tunnels and underground stations** in an amount not-to-exceed \$2,000,000 increasing the total contract value from \$1,272,632,356 to \$1,274,632,356.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	A	C

39. APPROVED Motion by **Directors Knabe, Dupont-Walker, Molina and Ridley-Thomas that the MTA Board of Directors approve funding the 2nd/Hope Street Station Upper Level Entrance and Pedestrian Bridge** by including Bid Option 2 in the project budget for the Regional Connector Transit Project, fully funded through the project contingency, if necessary.

DUPONT-WALKER AMENDMENT that the CEO be directed to immediately convene a meeting with the project stakeholders and negotiate a cost sharing agreement to accomplish a true public-private partnership in funding this \$3.3 million option, given the public and private value that this option creates; and

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(Item 39 – continued from previous page)

Direct the CEO to report back to the Board on the variety of MTA funding options for MTA’s portion of the funding.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	A	Y

- 44. **ADOPTED ON CONSENT CALENDAR Staff Recommended Positions:**
 - A. **AB 1532 (Gatto)** – Penalties for hit-and-run incidents with no injury **SUPPORT**
 - B. **AB 2337 (Linder)** – Penalties for hit-and-run incidents resulting in death or serious injury **SUPPORT**

- 46. **APPROVED ON CONSENT CALENDAR** as amended by Director Ridley-Thomas:
 - A. adopting a **DVBE Policy and Program for non-federally funded competitively negotiated contracts for construction, goods and services over \$100,000**, including a program goal of 3% and a DVBE Preference Program; and
 - B. utilizing the State of California’s DVBE Certification Process.

- 48. **AUTHORIZED ON CONSENT CALENDAR** the Chief Executive Officer (CEO) to:
 - A. **engage in the sale of Low Carbon Fuel Standard (LCFS) credits by approving the LCFS Market Analysis and Revenue Optimization Plan**; and
 - B. pursue Pathway 2 in the Biomethane Implementation Plan (i.e., contracting with a third party energy provider to procure for biomethane or renewable natural gas for a test period).

51. **RECEIVED AND FILED funding assumptions for Metro Bus and Rail Operations Revenue in response to Director Knabe’s Motion 69 from April 2014 Board meeting.**

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	A	Y

52. **APPROVED ON CONSENT CALENDAR Access Services local funding in the amount of \$70,559,472 for Fiscal Year 14/15.** This includes:

- A. \$68,513,472 for Access Services Operating and Capital; and
- B. \$2,046,000, paid directly to the Southern California Regional Rail Authority (Metrolink), for its participation in the Board-adopted Access Services Free Fare Program.

53. **APPROVED as amended adopting the proposed FY15 Budget** as presented in the budget document (provided as a separate transmittal) with the following amendments totalling in a reduction of \$97.8 million:

- A. authorizing the CEO to amend the FY15 Budget after completion of union contract negotiations for the amount of wage and compensation increases as approved by the Board;
- B. further reducing As-Needed and Discretionary budgets for travel, seminar, and other miscellaneous accounts by 21.7%, or \$4.0 million, which will not negatively impact Measure R Transit and Highway projects, in order to continue to exercise fiscal responsibility;
- C. adding 44 positions, including one contract and 43 non-contract full-time equivalent (FTE) positions for delivering Measure R Transit and Highway Project, conducting Community Outreach, improving Deferred Maintenance, enhancing Safety and Security and for other high priority programs;

(Continued on next page)

(Item 53 – continued from previous page)

- D. adding \$7.9 million for the FTE increase from Item C above. Ninety-three percent of the increase is funded by designated funding sources or savings from Professional and Contract Services accounts and are not eligible for Bus and Rail purposes. Net impact to Bus and Rail eligible funding is \$540,000, which represents a 0.04% increase to the Bus and Rail Operating budget;
- E. approving a wage increase of 3% for non-contract employees and the corresponding pay grade ranges for a total of \$3.9 million in FY15. The Bus and Rail Operations eligible funding portion of the increase is \$1.2 million, which is 0.09% of the Bus and Rail Operating Budget. The request is comparable to other local agencies;
- F. adjusting the proposed FY15 Budget cash flow for the Exposition Construction Authority by reducing \$105.6 million to reflect the May 1, 2014 adoption by the Exposition Construction Authority Board of its FY15 Budget with no change to the approved Life of Project budget; and
- G. approving the Reimbursement Resolution declaring LACMTA's intention to issue debt in FY15 for capital projects. Actual debt issuance will require separate Board approval.

FASANA AMENDMENT: that funding is included in the budget for items A and E. These items must be brought back to the Board in July for final consideration.

MOTION by Directors Garcetti, Yaroslavsky, Krekorian and Najarian: that the Board direct the Chief Executive Officer to:

- A. include one additional FTE in the FY2015 budget that is tasked with technical analysis and implementation of the Countywide Bus Rapid Transit Program;
- B. include one additional FTE in the FY2015 budget that will be the sole point of contact for all Federal grants and loans, including (but not limited to), Transportation Infrastructure Finance and Innovation Act, New Starts, Small Starts, TIGER, etc.; and

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(Item 53 – continued from previous page)

C. report back to the Board in September 2014 with an update on these two positions, with a quarterly report thereafter with key milestones.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	A	Y	Y	Y	Y	Y	Y	Y	Y	A	Y

54. APPROVED BY 2/3 VOTE:

A. receiving and filing comments from the public hearing conducted by the Board of Directors on Saturday, March 29, 2014;

C. **adopting fare restructuring plan.**

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y

B. adopting Resolution in accordance with the California Environmental Quality Act (CEQA) finding that the purpose of the Fare Restructuring Plan is to pay operating expenses; and

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y

55. APPROVED revised Motion by **Directors Ridley-Thomas, Garcetti, Yaroslavsky and Knabe** as amended by Bonin that the Board of Directors:

A. Direct the Chief Executive Officer to take the following actions related to the Fare Subsidy Program:

1. Update the eligibility for participation based on the United States Department of Housing and Urban Development's 2014 Poverty Guidelines and adjust eligibility annually based on updates to the guidelines;

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(Item 55 – continued from previous page)

2. Report back to the Board in September 2014 with recommendations on how to expand outreach and enhance marketing for the program; including but not limited to: multi-lingual advertising on buses and trains, at transit stations, and at all points of sale for TAP cards and Metro passes; on TAP purchase kiosks; through partnerships with community based organizations, social service agencies, senior centers, schools, churches, and job training centers; through public service announcements on local media; and
 3. Report back to the Board in ~~January~~ May 2015 with assessments regarding whether additional funding should be allocated to meet growing demand.
- B. Direct the Chief Executive Officer to temporarily freeze student fares at their current pricing levels until July 2015 with such a freeze being subject to further evaluation by the APTA-coordinated Transit Ridership Best Practices Task Force. Staff must come back to the board for authorization to unfreeze student fares. Report back at the next meeting on the costs associated with expanding the fare hike freeze to seniors and disabled passengers.
- C. Direct the Chief Executive Officer to take the following steps in order to decriminalize youth fare evasion on Metro's system:
1. Report back to the Board in September 2014 on the ~~establishment of a~~ implementation of an enhanced comprehensive diversion program, including investigating whether non-sworn or non-Sheriff personnel should check fares and cite fare evasion as part of the Metro Security Service procurement process, the feasibility of requiring all youth that are cited for fare evasion to participate in a mandatory online educational diversion program and/or participate in community service in lieu of fines and court appearances and recommendations on any necessary changes to the California Penal Code; and
 2. Metro should also report quarterly at the Executive Management Committee on the demographic profile of those cited for fare violations.

(Continued on next page)

(Item 55 – continued from previous page)

- D. Postpone ~~implementation~~ consideration of the proposed 2017 and 2020 fare increases until after the Chief Executive Officer convenes a Transit Ridership Best Practices Task Force, in coordination with the American Public Transportation Association, to provide guidance on fare structuring strategies that optimize MTA's financial performance while minimizing the burden on the system's lowest income riders. The panel should be asked to consider alternative revenue generation strategies as well as provide recommendations on opportunities to expand ridership; and report back to the Board by July 2015 with their recommendations. Formal adoption of the 2017 and 2020 increases should be contingent upon validation of the fare restructuring by the APTA-coordinated Transit Ridership Best Practices Task Force, no other potential revenue streams for bus and rail operations being identified, and a public hearing.
- E. Direct the Inspector General to ~~immediately~~ research the establishment of, within her office, a Rider's Advocate that would serve as an independent advocate to monitor and assess customer service related issues and evaluate future fare structuring strategies. Initial research should include consideration of the following questions, and report back to the Board in January 2015:
1. existing models presently utilized at other comparable transit authorities;
 2. potential criteria and protocol for evaluating customer service issues;
 3. metrics for evaluating customer service concerns and how it relates to fare structures;
 4. potential governance models for the Rider's Advocate function within the MTA;
 5. reporting structure for this position through the Office of the Inspector General; and
 6. methodology for the Office of the Inspector General to review and make recommendations to the Metro Board of Directors.

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(Item 55 – continued from previous page)

F. Require Metro not implement any fare hike until the 2-hour free transfer goes into effect, so that the fare hike and free transfer take effect simultaneously.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	ABS	Y	Y

56. APPROVED revised Motion by **Directors Antonovich, Najarian and Krekorian** to develop and coordinate a mitigation plan for the Interstate 5 HOV Lane construction project in the Burbank area and direct the CEO to return to the July Committee and Board meetings with the following items for Board consideration:

A. Coordinate with the Cities of Burbank, Glendale and Los Angeles; Caltrans; Metrolink; and Bob Hope Airport to develop a robust, multi-year mitigation plan for the I-5 corridor in and adjacent to the City of Burbank that includes at minimum the following:

1. Adding additional Metrolink service along the Antelope Valley Line between Los Angeles Union Station, Santa Clarita and Antelope Valleys, including:
 - a. The procurement (by purchase or lease) of at least one dedicated locomotive to serve the Antelope Valley Line exclusively.
 - b. The addition of a late-night train beyond the currently scheduled last train #227 (departing LAUS at 9:27 PM).
2. Additional project management mitigations
3. Additional roadway, traffic signal and transit system mitigations, including:
 - a. Bus and shuttle service provided in and around the I-5 Corridor by Bob Hope Airport and the City of Burbank.
 - b. Traffic management operations

(Continued on next page)

(Item 56 – continued from previous page)

c. Intelligent Transportation Systems

4. Outreach and coordination mitigations with the affected jurisdictions, including Bob Hope Airport and major employers in the area (i.e., entertainment studios).

B. Develop a pilot express bus service that closes the transit gap between the Red and Orange Line Stations in North Hollywood, Bob Hope Airport, the City of Burbank (Media District), the City of Glendale and the Gold Line in Pasadena

C. Develop funding options that include, but are not limited to:

1. The subregional equity restoration of \$26.1 Million in Proposition 1B transferred from the I-5 North HOV Lane project to the I-405 Sepulveda Pass Improvements Project in December 2012.
2. The advancement of available Measure R Highway funds for the Arroyo-Verdugo subregion
3. Matching funds from affected member jurisdictions
4. Available funding through Caltrans for mitigation and outreach
5. Prop C 10%/Measure R 3% funding for Metrolink

NAJARIAN AMENDMENT: Utilizing the highway bench, direct the CEO to hire a Project Manager to manage the I-5 north mitigation throughout the construction project. Duties to include, but not limited to, coordination amongst all stakeholders and agencies. Coordination activities will include inspections, as required, managing necessary off-highway roadway improvements, enhanced signage and construction impact notifications, public transportation enhancements, and other responsibilities to be determined. The selected candidate will report directly to the MTA head of construction.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
A	Y	Y	Y	Y	Y	Y	Y	A	Y	A	A	A

57. APPROVED BY 2/3 VOTE:

- A. holding a public hearing on the proposed Resolution of Necessity; and
- B. adopting the **Resolution of Necessity authorizing the commencement of an eminent domain action to acquire Parcel W-2302 (APN 4334-021-058)** consisting of the real property and the immovable fixtures and equipment.

JF	PK	MA	PO	ZY	EG	DD	DK	MRT	AN	GM	JDW	MB
Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	A	Y

58. **CLOSED SESSION:**

- A. Conference with Legal Counsel – Existing Litigation – G.C. 54956.9(a):
Kiewit Infrastructure West Co. f/k/a Kiewit Pacific Company v. LACMTA, LASC Case No. BC545331

NO REPORT.

- B. Conference with Labor Negotiator – G.C. 54957.6
Agency Representative: Don Ott
Employee Organizations: UTU, TCU and Teamsters

NO REPORT.

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