

**Metro**Los Angeles County
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metro.net**REVISED****PLANNING AND PROGRAMMING COMMITTEE
APRIL 20, 2011****FINANCE AND BUDGET COMMITTEE
APRIL 20, 2011****EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE
APRIL 21, 2011****SUBJECT: IMPACT TO LOS ANGELES COUNTY OF POSSIBLE STATE FALL
BOND SALE CANCELLATION****ACTION: RECEIVE AND FILE****RECOMMENDATION**

Receive and file this response to the motion by Director Antonovich (Attachment A) as approved by the LACMTA Board of Directors on March 24, 2011 that instructed the Chief Executive Officer to provide a full assessment of Los Angeles County projects impacted by the potential cancellation of Proposition 1B bond sales in Fall 2011; a comprehensive legislative strategy, a comprehensive mitigation strategy to keep projects on schedule, and an outreach plan to the Los Angeles County state legislative delegation.

ISSUE

Due to uncertainty about the State budget for fiscal year FY 2011-12, the Spring 2011 State bond sale has been cancelled and a planned Fall 2011 State bond sale may be cancelled. If there are no State bond sales in calendar year 2011, staff estimates that over \$500 million in project funding will be delayed to Los Angeles County sponsors, including the Los Angeles County Metropolitan Transportation Authority (LACMTA).

DISCUSSION

Attachment A summarizes the \$4.18 billion dollars programmed to the LACMTA and other project sponsors under the key programs of the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) and the High-Speed Passenger Train Bond Act of 2008 (Proposition 1A). Of this amount, the

California Transportation Commission (CTC) or Caltrans has allocated approximately thirty percent, or \$1.27 billion, including \$614 million for the Interstate 405 Northbound Carpool Lane project. As of this writing, we believe sufficient funds exist from prior bond sales to support the Interstate 405 project allocation for at least one year. We do not yet know what might happen if the next two bond sales (Fall 2011 and Spring 2012) were to be deferred.

The remaining \$2.90 billion is yet to be allocated and is particularly vulnerable to State bond sale delays. The Spring 2011 State bond sale is already assumed cancelled in the Governor's January draft of the FY 2011-12 State Budget. The Fall 2011 State bond sale is also at risk if the proposal to extend the one percent State sales tax increase (to 8.25%) either does not receive the legislative approvals to make the June 2011 ballot or is ultimately not approved by the voters.

FINANCIAL IMPACT

For FY 2010-11, we have estimated State bond-funded cash flow needs at approximately \$621 million, approximately 72% of which have received CTC allocations or Caltrans grant approvals. The remaining 28%, or \$174 million, will be delayed – six months by the cancellation of the Spring 2011 State bond sale and an additional six months if the Fall 2011 State bond sale is cancelled. This amount may be higher, depending on the cash flow needs for Trade Corridors Improvement Program projects, or lower, depending upon the actual cash flow needs of the projects.

Based on preliminary information, we have estimated FY 2011-12 State bond-funded cash flow needs to be \$800 million for Los Angeles County as a whole. Cancelling the Fall 2011 State bond sale is likely to impact at least half of that \$800 million, with a delay of six months or more for \$400 million. During the FY 2011-12 budget process, data will be collected that will provide more exact figures. In the mean time, the \$174 million for FY 2010-11 plus the \$400 million currently estimated for FY 2011-12 totals nearly \$575 million in State bond funds to be delayed should the Fall 2011 bond sale be cancelled.

The following projects and unallocated FY 2010-11 needs comprise the \$174 million:

<u>Project Name</u>	<u>Bond Program</u>	<u>Unallocated FY 2010-11 Bond Need (\$millions)</u>
Exposition LRT Project Phase I	PTMISEA*	\$61.6
New Cerritos Rail Bridge	TCIF**	\$38.3
Gerald Desmond Bridge Replacement	TCIF**	\$25.5
SCRRA Systemwide Rehabilitation	Prop 1A	\$17.7
San Fernando Valley N/S Corridor (Canoga)	PTMISEA*	\$12.5
Regional Connector	Prop 1A	\$5.7
SR-710 North Extension (Tunnel)	STIP Augmentation***	\$5.0
SCRRA (LA County Portion Estimate)	PTMISEA*	\$3.5
Track Realignment at Ocean Blvd.	TCIF**	\$2.0
Pier F Support Yard	TCIF	\$0.9
Light Rail Vehicles	STIP Augmentation***	\$0.8
Total		\$173.5

*PTMISEA: Prop 1B Public Transportation Modernization, Improvement and Service Enhancement Account

**TCIF: Prop 1B Trade Corridors Improvement Program

***STIP Augmentation: Prop 1B State Transportation Improvement Program Augmentation program.

Comprehensive Mitigation Strategy

As part of a comprehensive mitigation strategy to keep Los Angeles County projects on current construction schedules as much as possible, we have begun to re-estimate cash flow timing needs and consider using other available project funds to cover those cash flow needs that are truly required. As we encounter further cash flow needs in FY 2012, these steps may not be enough. Funding may have to be transferred from other project budgets. That could mean deferring or delaying projects that are not yet awarded to maintain full funding for projects that are already underway. The LACMTA Board of Directors adopted priorities in March 2010 for use in the event that these funds are deferred or cancelled. We are recommending that those priorities be updated by action of the LACMTA Board of Directors in April 2011. Please see the 2011 Los Angeles County Transportation Improvement Program Priorities report on the Planning and Programming Committee agenda for more information.

A comprehensive legislative strategy and outreach plan that outlines proactive steps that MTA staff and Board can take to ensure to the best of our ability that Prop 1B bond sales proceed as planned in a manner that supports Los Angeles County projects. The strategy includes an outreach plan to our Los Angeles County state legislative delegation that will allow the Board to advocate for keeping the Fall 2011 Prop 1B bond sales in place.

NEXT STEPS

We will continue working to address the potential impact of cancelled State bond sales, and we will continue working to develop an accurate estimate of the cash flow needs for the LACMTA FY 2011-12 Budget. We also will develop strategies for coping with the lack of a Fall 2011 State bond sale. Options for avoiding possible negative consequences of deferral or delay, such as loss of federal grants or project cost escalation will be considered.

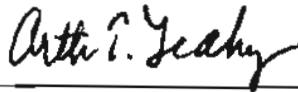
ATTACHMENTS

- A. Motion by Director Antonovich as Approved by the LACMTA Board
- B. Los Angeles County Share of the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) and High-Speed Passenger Train Bond Act of 2008 (Proposition 1A)
- C. Comprehensive Legislative Strategy and Outreach Plan for Los Angeles County State Legislative Delegation

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Arthur T. Leahy
Chief Executive Officer

MOTION

DIRECTOR ANTONOVICH

Proposition 1B, an infrastructure bond program approved by California voters in 2006, promised to fund many transportation projects that would improve mobility and economic development statewide.

In Los Angeles County, for example, one project that would receive over \$300 million under the Prop 1B Trade Corridor Improvement Fund (TCIF) is the San Gabriel Trench. Without this funding, this project of major significance which was supposed to be put out to bid for construction work this year will not be able to move forward as planned. Other projects in Los Angeles County also are counting on Prop 1B for funding to move forward as well.

Customarily the State of California has held biannual bond sales to support the funding promised under Prop 1B for projects like the San Gabriel Trench. However, with the current fiscal crisis in the State forced the legislature to cancel the planned Spring 2011 bond sale. The planned Fall 2011 bond sale is also threatened to be cancelled if voters do not approve a proposed tax plan to be placed on the ballot by the Governor.

Cancellation of the Fall 2011 Prop 1B bond sale will have a detrimental impact on several projects that are MTA priorities. Now is the time to develop strategies to implement should this happen.

THEREFORE MOVE that the Board directs the CEO to return within 30 days with a report that provides at minimum the following elements:

1. a full assessment of which Los Angeles County projects are impacted by the potential cancellation of Prop 1B bond sales in Fall 2011, including impacts to project schedules, funding and associated cost increases and mobility reductions due to project delays;
2. a comprehensive legislative strategy that outlines proactive steps that MTA staff and Board can take to ensure to the best of our ability that Prop 1B bond sales proceed as planned in a manner that supports Los Angeles County projects;
3. a comprehensive mitigation strategy, should the Fall 2011 Prop 1B bond sales be cancelled, that will help keep Los Angeles County projects on current construction schedules as much as possible.
4. an outreach plan to our Los Angeles County state legislative delegation that will allow the Board to advocate for keeping the Fall 2011 Prop 1B bond sales in place and protecting the funding for our affected projects.

ATTACHMENT B

**Los Angeles County Share of the Highway Safety, Traffic Reduction, Air Quality, and Port Security
Bond Act of 2006 (Proposition 1B) and High-Speed Passenger Train Bond Act of 2008 (Proposition 1A)**
(as of March 2011)
\$ in thousands

Summary By Funding Program	LA County Share Per April 2010 Model Update	Allocated by CTC/Caltrans	Unallocated Balance	Cash Flow Needs ⁽¹⁾	
				FY11	Beyond
Prop 1A High Speed Passenger Train Bond	\$ 191,331	\$ 56,760	\$ 132,581	\$ 61,951	\$ 129,380
Prop 1B Corridor Mobility Improvement Account (CMIA)	\$ 1,100,100	\$ 614,000	\$ 486,100	\$ 200,000	\$ 900,100
Prop 1B Public Transit Modernization, Improvement and Service Enhancement Account (PTMISEA)	\$ 1,002,600	\$ 264,257	\$ 737,587	\$ 131,000	\$ 775,893
Prop 1B State and Local Partnership (SLPP)	\$ 277,756	\$ 153,189	\$ 124,587	\$ 97,573	\$ 131,494
Prop 1B STIP Augmentation	\$ 609,637	\$ 136,670	\$ 373,967	\$ 43,190	\$ 446,345
Prop 1B Trade Corridors Improvement Fund	\$ 898,270	\$ 32,770	\$ 965,500	\$ 70,705	\$ 896,195
Prop 1B Transit System Safety, Security, and Disaster Response Account (TSSSDRA)	\$ 96,546	\$ 16,100	\$ 80,446	\$ 18,100	\$ 80,446
Total	\$ 4,176,240	\$ 1,274,718	\$ 2,900,788	\$ 620,519	\$ 3,359,853

(1) Cash flow needs include allocated but unspent and unallocated funds.

ATTACHMENT B

**Los Angeles County Share of the Highway Safety, Traffic Reduction, Air Quality, and Port Security
Bond Act of 2006 (Proposition 1B) and High-Speed Passenger Train Bond Act of 2008 (Proposition 1A)**
(as of March 2011)
\$ in thousands

Prop 1 A High Speed Passenger Train Bond Program	LA County Share Per April 2010 Model Update	Allocated by CTC/Caltrans	Unallocated Balance	Cash Flow Needs ⁽¹⁾	
				FY11	Beyond
Regional Connector (LA County Urban Rail Formula Share)	\$ 114,874	\$ -	\$ 114,874	\$ 5,744	\$ 109,130
Positive Train Control (Intensity Rail Pacific Surfliner Formula Share)	\$ 46,550	\$ 46,550	\$ -	\$ 30,500	\$ 16,050
Systemwide Rehabilitation (SCRRA Computer Rail Formula Share)	\$ 17,707	\$ -	\$ 17,707	\$ 17,707	\$ -
Positive Train Control (SCRRA Computer Rail Formula Share)	\$ 12,200	\$ 12,200	\$ -	\$ 8,000	\$ 4,200
Total	\$ 191,331	\$ 68,750	\$ 132,581	\$ 61,951	\$ 129,380

(1) Cash flow needs include allocated but unspent and unallocated funds.

Prop 1B Corridor Mobility Improvement Account (CMA)	LA County Share Per April 2010 Model Update	Allocated by CTC/Caltrans	Unallocated Balance	Cash Flow Needs ⁽¹⁾	
				FY11	Beyond
L-405 Northbound HOV lane, I-10 to US-101	\$ 614,000	\$ 614,000	\$ -	\$ 200,000	\$ 414,000
L-5 South HOV lanes, Orange County, Me to L605	\$ 387,000	\$ -	\$ 387,000	\$ -	\$ 387,000
L-5 HOV lanes, State Route 134 to State Route 170	\$ 73,000	\$ -	\$ 73,000	\$ -	\$ 73,000
L-10 HOV lanes, Citrus to State Route 67	\$ 28,100	\$ -	\$ 28,100	\$ -	\$ 28,100
Total	\$ 1,100,100	\$ 614,000	\$ 486,100	\$ 200,000	\$ 900,100

(1) Cash flow needs include allocated but unspent and unallocated funds.

ATTACHMENT B

**Los Angeles County Share of the Highway Safety, Traffic Reduction, Air Quality, and Port Security
Bond Act of 2006 (Proposition 1B) and High-Speed Passenger Train Bond Act of 2008 (Proposition 1A)**

(as of March 2011)
\$ In thousands

Prop 1B Public Transit Modernization, Improvement and Service Enhancement Account (PTMISEA)-MTA	LA County Share Per April 2010 Model Update	Allocated by CTC/Caltrans	Unallocated Balance	Cash Flow Needs ⁽¹⁾	
				FY11	Beyond
Expo LRT to Santa Monica Project - Phase II	\$ 225,000	\$ 15,202	\$ 209,798	\$ 20,000	\$ 205,000
Expo LRT Project - Phase I	\$ 118,400	\$ 64,054	\$ 54,346	\$ 61,719	\$ 58,681
Miscellaneous Transit Projects (TBD through MTA Budget process)	\$ 117,700	\$ 46,167	\$ 71,543	\$ 1,896	\$ 118,014
Bus Procurement (Expended)	\$ 70,000	\$ 69,243	\$ -	\$ -	\$ -
San Fernando Valley North/South Corridor (Canoga)	\$ 70,000	\$ 40,476	\$ 29,522	\$ 38,700	\$ 17,022
Subtotal Prop. 1B PTMISEA - MTA	\$ 601,100	\$ 235,135	\$ 365,208	\$ 122,105	\$ 394,717

(1) Cash flow needs include allocated but unspent and unallocated funds.

Prop 1B Public Transit Modernization, Improvement and Service Enhancement Account (PTMISEA)-LRTP	LA County Share Per April 2010 Model Update	Allocated by CTC/Caltrans	Unallocated Balance	Cash Flow Needs ⁽¹⁾	
				FY11	Beyond
Regional Connector	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ 150,000
Additional Bus Capital	\$ 183,100	\$ -	\$ 183,100	\$ -	\$ 183,100
Additional Bus Capital	\$ 85,000	\$ 17,693	\$ 67,307	\$ 5,395	\$ 79,805
SCRRA (LA County Portion Estimate)	\$ 33,400	\$ 11,429	\$ 21,971	\$ 3,500	\$ 18,471
Additional Transit Projects	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Prop. 1B PTMISEA - LRTP	\$ 401,500	\$ 29,122	\$ 372,378	\$ 8,895	\$ 381,178
Total Prop 1B PTMISEA	\$ 1,002,600	\$ 264,257	\$ 737,587	\$ 131,000	\$ 715,895

(1) Cash flow needs include allocated but unspent and unallocated funds.

ATTACHMENT B

**Los Angeles County Share of the Highway Safety, Traffic Reduction, Air Quality, and Port Security
Bond Act of 2006 (Proposition 1B) and High-Speed Passenger Train Bond Act of 2008 (Proposition 1A)**

(as of March 2011)
\$ in thousands

Prop 1B State and Local Partnership (SLPP)	LA County Share Per April 2010 Model Update	Allocated by CTC/Calttrans	Unallocated Balance	Cash Flow Needs ⁽¹⁾	
				FY11	Beyond
San Fernando Valley North/South Corridor (Caroqa)	\$ 73,800	\$ 49,180	\$ 24,620	\$ 34,480	\$ 24,620
L-5 South Carpool Lanes from Orange County Line to Interstate 605	\$ 62,658	\$ -	\$ 62,658	\$ -	\$ 62,658
MTA Transit Capital and Safety Improvements	\$ 38,550	\$ 33,989	\$ 4,561	\$ -	\$ 4,561
L-5 North Carpool Lanes from State Route 118 to State Route 170	\$ 25,075	\$ 25,075	\$ -	\$ 25,075	\$ -
Competition Reduction Demonstration	\$ 20,000	\$ 20,000	\$ -	\$ 13,093	\$ 6,907
L-5 Carpool Lanes from State Route 134 to State Route 170	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ 20,000
Metrolink Safety Improvements (Positive Train Control)	\$ 20,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
L-5 Garmentia Interchange	\$ 14,925	\$ 14,925	\$ -	\$ 14,925	\$ -
East San Fernando Valley North-South Project	\$ 2,750	\$ -	\$ 2,750	\$ -	\$ 2,750
Total⁽²⁾	\$ 277,756	\$ 153,169	\$ 124,587	\$ 97,573	\$ 131,494

(1) Cash flow needs include allocated but unspent and unallocated funds.

(2) \$3.6 M reduction due to revised funding estimates.

ATTACHMENT B

**Los Angeles County Share of the Highway Safety, Traffic Reduction, Air Quality, and Port Security
Bond Act of 2006 (Proposition 1B) and High-Speed Passenger Train Bond Act of 2008 (Proposition 1A)**
(as of March 2011)
\$ in thousands

Prop 1B STIP Augmentation- Public Transportation Account (Transit)	LA County Share Per April 2010 Model	Allocated by CTC/Calttrans	Unallocated Balance	Cash Flow Needs ⁽¹⁾	
				FY11	Beyond
Expo LRT to Santa Monica Project - Phase II	\$ 47,800	\$ 12,500	\$ 35,300	\$ 12,500	\$ 35,300
Light Rail Vehicles	\$ 174,871	\$ -	\$ 174,871	\$ 848	\$ 174,022
Sealed Corridor - Metrolink Arroyo Valley Line	\$ 14,000	\$ 14,000	\$ -	\$ 14,000	\$ -
Greenhaw Corridor Transportation Improvement	\$ 2,200	\$ 2,200	\$ -	\$ 2,200	\$ -
CNG Buses for Clerette Bee Line	\$ 1,023	\$ 1,023	\$ -	\$ 1,023	\$ -
Subtotal - Public Transportation Account (Transit)	\$ 239,894	\$ 29,723	\$ 210,171	\$ 30,572	\$ 209,322

(1) Cash flow needs include allocated but unspent and unallocated funds.

Prop 1B STIP Augmentation- State Highway Account (Highways)	LA County Share Per April 2010 Model Update	Allocated by CTC/Calttrans	Unallocated Balance	Cash Flow Needs ⁽¹⁾	
				FY11	Beyond
Interstate 5 Carpool Lanes, Rt 124-Rt 170	\$ 118,280	\$ -	\$ 118,280	\$ -	\$ 118,280
Interstate 10 Carpool Lanes, from Puente to Citrus	\$ 47,000	\$ 34,500	\$ 12,500	\$ -	\$ 47,000
Planning, Programming, and Monitoring	\$ 37,993	\$ 16,102	\$ 22,891	\$ 7,618	\$ 15,263
Interstate 10 Carpool Lanes, from Citrus to Route 57	\$ 31,155	\$ 24,000	\$ 7,155	\$ -	\$ 31,155
Interstate 10 Carpool Lanes, from Route 605 to Puente	\$ 27,345	\$ 27,345	\$ -	\$ -	\$ 27,345
Interstate 710 Early Action Projects In Long Beach	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -
SR-710 North Extension (Hurrell)	\$ 5,000	\$ -	\$ 5,000	\$ 5,000	\$ -
Subtotal - State Highway Account (Highways)	\$ 269,743	\$ 105,947	\$ 153,796	\$ 12,618	\$ 237,023
Total Prop 1B STIP Augmentation	\$ 509,637	\$ 135,670	\$ 373,967	\$ 43,190	\$ 446,345

(1) Cash flow needs include allocated but unspent and unallocated funds.

ATTACHMENT B

**Los Angeles County Share of the Highway Safety, Traffic Reduction, Air Quality, and Port Security
Bond Act of 2006 (Proposition 1B) and High-Speed Passenger Train Bond Act of 2008 (Proposition 1A)**
(see of March 2011)
\$ In thousands

Prop 1B Trade Corridors Improvement Fund	Funds Per So. Cal. Consensus Group	Allocated by CTC/Caltrans	Unallocated Balance	Cash Flow Needs (1)(2)	
				FY11	Beyond
San Gabriel Valley Grade Separation Program; ACE	\$ 398,600	\$ -	\$ 398,600	\$ -	\$ 398,600
Gerald Desmond Bridge Replacement; EOLB (SHOPP-Funded TCIF)	\$ 289,795	\$ -	\$ 289,795	\$ 25,500	\$ 274,295
SR 47 Expy-Schuyler Hehn Bridge Replace/Construct Expy & Flyover; ACTA	\$ 158,000	\$ -	\$ 158,000	\$ -	\$ 158,000
Ports Rail System- Tier I (West Basin Road Rail Access Improvements); POLA	\$ 51,230	\$ -	\$ 51,230	\$ -	\$ 51,230
Ports Rail System- Tier I (New Carries Rail Bridge); ACTA	\$ 38,330	\$ -	\$ 38,330	\$ 38,330	\$ -
Ports Rail System- Tier I (Track Realignment @ Ocean Blvd); POLB	\$ 27,000	\$ -	\$ 27,000	\$ 2,000	\$ 25,000
ACE; Gateway-Valley View Grade Separation Project; City of Santa Fe Springs	\$ 26,570	\$ -	\$ -	not available	\$ -
South Wilmington Grade Separation; POLA	\$ 17,000	\$ -	\$ 17,000	\$ -	\$ 17,000
I-110 Fwy Access Ramp; Imp; SR 47 / I-110 NB Connector Widening; POLA	\$ 14,700	\$ -	\$ 14,700	\$ -	\$ 14,700
Ports Rail System- Tier I (Pier F Support Yard); POLB	\$ 8,745	\$ -	\$ 8,745	\$ 876	\$ 7,870
C Street Access Ramps Improvements; POLA	\$ 8,300	\$ -	\$ 8,300	\$ -	\$ 8,300
New Siding on the Antelope Valley Line (MP44 to MP61) For Freight Trains; BCRRA/MetroLink	\$ 7,200	\$ 7,200	\$ -	\$ 4,000	\$ 3,200
Washington Blvd Widening & Reconstruction Project; City of Commerce	\$ 5,800	\$ -	\$ 5,800	not available	\$ -
Total	\$ 988,270	\$ 32,770	\$ 965,500	\$ 70,706	\$ 895,195

(1) Cash flow need data not available for all TCIF Projects
(2) Cash flow needs include allocated but unspent and unallocated funds.

Prop 1B Transit System, Safety, Security, and Disaster Response Account (TSSSDRA)	LA County Shares Per April 2010 Model Update	Allocated by CTC/Caltrans	Unallocated Balance	Cash Flow Needs (1)	
				FY11	Beyond
MTA Bus/Rail Operations	\$ 49,800	\$ 11,200	\$ 35,600	\$ 11,200	\$ 35,600
Next Year Programmed	\$ 28,748	\$ -	\$ 28,748	\$ -	\$ 28,748
MTA Rail Salary	\$ 21,000	\$ 4,900	\$ 16,100	\$ -	\$ 16,100
Total	\$ 99,548	\$ 16,100	\$ 80,448	\$ 16,100	\$ 80,448

(1) Cash flow needs include allocated but unspent and unallocated funds.

Comprehensive Legislative Strategy and Outreach Plan

Introduction

Metro Government Relations has identified advocacy to support future bond sales as an important element in our State Legislative Program. In furtherance of that goal, staff has kept legislative leadership and relevant decision makers abreast of our needs. The threat of cancellation of the Fall 2011 Bond sale presents a new challenge given the significant amount of funds at stake. In response, Staff has prepared a Fact Sheet highlighting the importance of the Fall 2011 Bond sale and the projects that are at risk if it is cancelled. Increased advocacy has already been initiated by Staff on this issue and pursuant to Board Direction, the following further outlines an advocacy strategy for the Board and staff.

Target Audiences and Roles

At the statewide level, Metro staff has contacted many of the key statewide advocacy organizations to begin a coordinate statewide advocacy effort to preserve the Fall bond sale. Advocacy should be directed to the Gubernatorial Administration, Legislative leadership, members of the Los Angeles County Legislative delegation, members of the Senate and Assembly Budget Committees, the State Controller, the State Treasurer and the California Transportation Commission. Metro's advocacy strategy will take place through coordinated statewide, regional and local efforts.

Metro staff will play a key role in this effort and will seek to involve Board Members and key advocates for Los Angeles County. Metro staff is also continuing to brief key legislative staff and members of the state agency that oversees bond sales. Metro Countywide Planning staff, in coordination with Government Relations, regularly communicates with Caltrans (District 7 and Headquarters) and the California Transportation Commission to ensure that Metro's project funding needs are incorporated into relevant actions at these agencies.

Metro Executives have been coordinating with the State Treasurer's office for some time on the need to continue a steady program of bond sales. This outreach included a detailed briefing with the State Treasurer last year. The Treasurer's Office clearly understands the importance of the bond sales to transportation projects and communicates that fact regularly to the State Legislature.

Role of Members of the LACMTA Board of Directors

The Subcommittee's of the Senate and Assembly Budget Committees will meet between now and perhaps as late as June, to consider recommendations for the Fiscal

Year 2011-2012 budget. Subcommittee meetings would be an excellent opportunity for Board Members to offer testimony about the importance of the Fall bond sale. Staff also recommends that Metro Board Members conduct press conferences in Los Angeles to highlight the specific projects that are at risk from cancellation of the Fall 2011 bond sale. Government Relations will coordinate with Board members for specific events. Metro will also reach out to the various Councils of Governments and will work through the Board offices to coordinate this effort. Board Members may also wish to participate in efforts sponsored by Mobility 21.

Mobility 21 and Other Efforts

At the regional level, Metro staff is working with Mobility 21, and other regional stakeholders, to coordinate a regional strategy to ensure that the regional agencies also communicate with key leaders in Sacramento on a bipartisan basis. This effort will involve all the counties from Ventura to San Diego. Mobility 21 has also developed fact sheets on the regional impacts of cancellation of the Fall bond sale. This effort represents an important venue through which Metro can work with the business community to advocate the importance of the Fall bond sale.

Locally, Metro staff has begun outreach to members of Los Angeles County's business and labor communities. Metro staff is also coordinating with the other agencies in Los Angeles County such as the Alameda Corridor East Construction Authority, Metrolink and others whose projects are at risk if the Fall 2011 sale is cancelled. We will include their project needs throughout all aspects of our advocacy.