

**Metro**Los Angeles County
Metropolitan Transportation AuthorityOne Gateway Plaza
Los Angeles, CA 90012-2952213.922.200
metro.net**FINANCE & BUDGET COMMITTEE
JULY 20, 2011****SUBJECT: FY12 BUDGET AMENDMENT FOR LOS ANGELES COUNTY
CONGESTION REDUCTION DEMONSTRATION (LA CRD) PROGRAM****ACTION: APPROVE BUDGET AMENDMENT****RECOMMENDATION**

Approve budget amendment to add \$2,259,859 to the FY12 budget for the LA CRD Program to fund the enhanced Silver Line service on the Harbor Transitway, including related marketing, security, and maintenance, and for data collection and market research for the Metro ExpressLanes.

RATIONALE

In September 2008, the Board approved the programming of \$210.6 million for the CRD grant. As part of this programming action, \$20.9 million of Congestion Mitigation and Air Quality (CRD -CMAQ) funds were allocated to the operations of the ExpressLanes, which included the incremental cost of providing more frequent service for the Metro Silver Line. \$1,759,859 is requested to fund increased Silver Line service, marketing of Silver Line, and increased security and maintenance on the Harbor Transitway.

In addition, \$500,000 of the ExpressLanes operations funding is being budgeted in FY12 for market research and data collection. The data collection is a requirement of the grant that Metro received from USDOT and must commence one year prior to the opening of the ExpressLanes. Since the ExpressLanes are scheduled to be open in FY13, it will be necessary to start data collection in FY12.

DISCUSSION

In September 2008, the Metro Board approved the programming of the \$210.6 M USDOT grant for the projects that are part of the ExpressLanes Program. The ExpressLanes is a one-year demonstration program that will implement a multi-modal integrated corridor management approach to providing congestion relief on the I-10 and I-110 freeways. The corridor management approach relies on several transportation

modes to reduce congestion including: congestion pricing on the freeways through the conversion of HOV Lanes to HOT Lanes; purchase of 59 buses to provide more frequent transit service on the Harbor Transitway and El Monte Busway; add 100 new vanpools; and, transit station improvements on both corridors.

The plan is to implement the enhanced service in a two-phased approach. In Phase I Metro would begin providing more frequent weekday service on the Harbor Transitway

- Weekday service during the AM and PM peak periods would be every 10 minutes rather than the current average 30 to 20 minute service;
- Wrapping the buses to brand the Silver Line;
- Marketing the new services;
- Perform additional maintenance at the Harbor Transitway Stations to encourage ridership; and
- Increase transit security patrols at the Harbor Transitway Stations to encourage ridership.

Phase II would start in July 2012 and build upon the service in Phase I.

As part of the Operating funds that were programmed in September 2008, funds will be budgeted in FY12 to support market research and data collection activities. Data Collection and Market Research is a condition of the grant from USDOT. Metro is required to collect data for 2 years – one year prior to the opening of the ExpressLanes and for the duration of the one-year Demonstration. Since the I-110 ExpressLanes are scheduled to open fall 2012, Metro will need to start collecting data by October 2011. To be ready for fall data collection, survey instruments and market research activities will need to be designed and developed, so \$500,000 is requested in FY12 to cover the costs of these activities. The data that is collected will be used to evaluate the success of the project and to develop the evaluation report that will be submitted to the State legislature upon completion of the one-year demonstration.

FINANCIAL IMPACT

A total of \$2,259,859 in CRD CMAQ funds will be included in the FY12 budget in cost center 2220, Congestion Reduction Initiative, under project number 405522 - \$1,759,859 is being budgeted for the enhanced Silver Line service and \$500,000 is being budgeted for Express Lanes Market Research and Data Collection.

The funding for these activities will come from the \$210.6 million CRD grant that Metro received from USDOT. The source of the funds is CRD CMAQ and is an eligible fund source for these types of expenditures.

There is no impact to any of the following budgets:

1. Bus and rail operating and capital budget
2. Proposition A and C and TDA administration budget
3. Measure R administration budget

ALTERNATIVES CONSIDERED

The alternative is to not amend the FY12 budget to provide the enhanced Silver Line service and the ExpressLanes Market Research and Data Collection. This alternative is not recommended as these activities are required as part of the MOU with USDOT for the CRD grant funds. Failure to provide the enhanced Silver Line service and the Market Research/data Collection will put the grant funds at risk.

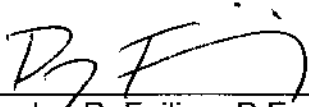
NEXT STEPS

For FY12 Metro staff will begin the market research activities. .

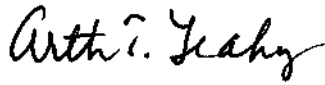
ATTACHMENTS

A. FY12 Amendment Request

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Arthur T. Leahy
Chief Executive Officer

**FY12 EXPRESSLANES BUDGET AMENDMENT
COST CENTER 2220**

ACTIVITIES	FY12
Silver Line Enhanced Service	\$509,859
Silver Line Bus Wraps – 30 buses	\$300,000
Silver Line Marketing	\$50,000
Harbor Transitway Maintenance	\$150,000
Harbor Transitway Security Patrols	\$750,000
ExpressLanes Market Research and Data Collection	\$500,000
Total FY12 Budget Amendment	\$2,259,859
SOURCES OF FUNDS	
CRD CMAQ	\$2,259,859
Total Project Funding	\$2,259,859