

# GUIDELINES

## Proposition A and Proposition C LOCAL RETURN



Metro

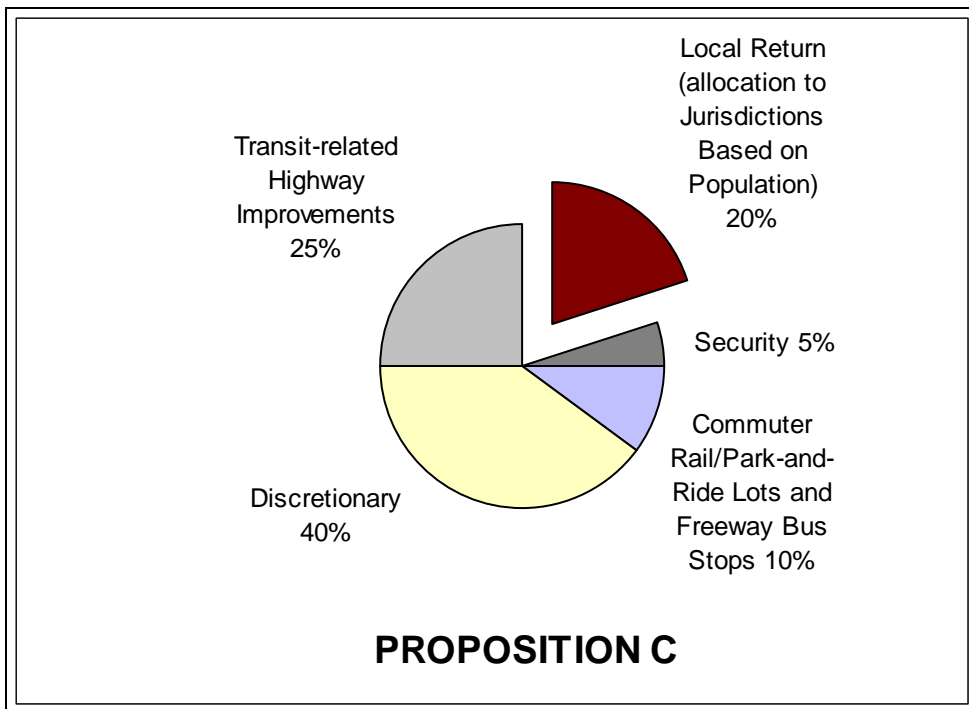
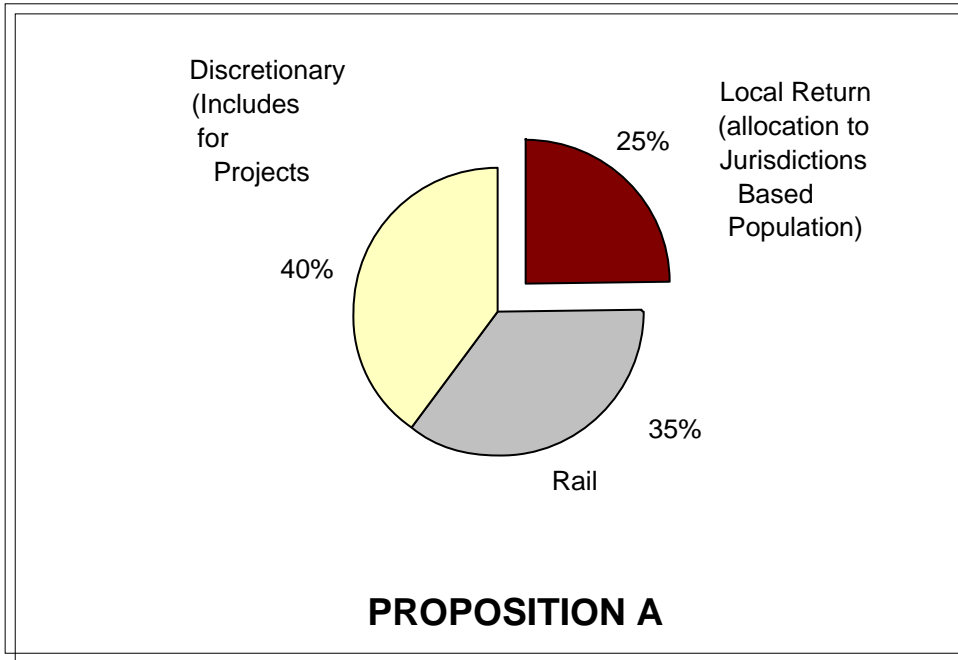
**Metro Board Approved**  
**FY 2006-07**



---

---

## PROPOSITION A AND PROPOSITION C DISTRIBUTION



## TABLE OF CONTENTS

<b>I. PROGRAM SUMMARY</b>	1
A. Introduction	1
B. General Provisions Concerning Proposition A and Proposition C Local Return Expenditures	1
C. Proposition A and Proposition C Form and Submittal Requirements	3
D. Process Flow Chart of Obtaining and Expending Local Return Funds	3
<b>II. PROJECT ELIGIBILITY (Project Codes)</b>	5
<b>A. Eligible Uses of Proposition A and Proposition C</b>	5
1. Public Transit Services - Operating (110, 120, 130, and 140)	5
1.1 Fixed Route Service (110)	5
1.2 Paratransit Service (120 & 130)	6
Non-exclusive School Service	6
Specialized Public Transit	6
1.3 Recreational Transit Service (140)	7
2. Bus Stop Improvements and Maintenance (150, 160, and 170)	7
3. Public Transit - Capital (180, 190, and 200)	8
4. Transit Systems Management (Bus Priority) (210)	8
5. Transit Security (220 and 230)	9
6. Fare Subsidy (240 and 250)	9
7. Transportation Planning (270)	9
8. Transit Marketing (280)	10
9. Park-and-Ride Lots (290)	10
10. Transit Facilities and Transportation Enhancements (300 and 310)	10
11. Metro Rail Capital - (320)	11
12. Right-of-Way Improvements (350)	11
13. Commuter Rail (360 and 370)	11
14. Capital Reserve (380)	12
15. Direct Administration (480)	12
16. Other (500)	12
<b>B. Exclusive Uses of Proposition A Funds</b>	13
1. Signal Synchronization (400)	13
2. Fund Exchange (405)	13
3. Transportation Demand Management (410)	14
<b>C. Exclusive Uses of Proposition C Funds</b>	15
1. Signal Synchronization and Traffic Management (400)	15
2. Transportation Demand Management (410)	16
3. Congestion Management Program (420)	17
4. Bikeways and Bike Lanes (430)	18
5. Street Improvement and Maintenance (440, 450 and 460)	18
6. Pavement Management System (470)	20

## TABLE OF CONTENTS

<b>III. METRO'S ADMINISTRATIVE PROCESS</b> .....	21
A. Reporting Requirements for Jurisdictions .....	21
Standard Assurances Form .....	21
Proposition A and Proposition C Local Return Forms (Form A, Form B, and Form C).....	21
B. Appeal of Eligibility .....	23
C. Governing Body Authorization .....	23
D. Environmental Review Responsibility .....	23
E. Project Description Forms and the Proposition A and Proposition C 40% Disc. Program .....	23
F. Annual Project Update Submittals by Recipients of Metro Formula Funds.....	24
G. Other Responsibilities of Local Jurisdictions .....	24
H. Americans With Disabilities Act Maintenance of Effort (MOE) .....	24
I. Service Coordination Process .....	24
1. Implementing a Proposed New/Modified Transit /Paratransit Service.....	25
2. Seasonal or Emergency Temporary Service .....	26
3. Contracting with Other Service Providers .....	26
J. Capital Reserve Process - Approval Procedure .....	26
K. Fund Exchange .....	27
L. Loaning LR Funds Between Jurisdictions (For Proposition A Only).....	27
M. Giving Proposition C LR Funds to Another Jurisdiction.....	27
N. Reimbursement .....	28
<b>IV. FINANCE SECTION</b> .....	28
A. Metro's Method of Apportionment.....	28
B. Metro's Fund Disbursement .....	28
C. Accounting for Proposition A And Proposition C Revenues and Expenditures by Jurisdictions .....	28
1. Establishing a Separate Account.....	28
2. Exceptions for Recipients of TDA Article 4 Funds.....	29
3. Pooling of Funds.....	29
4. Interest and Other Earned Income .....	29
5. Project Revenue .....	29
6. Inter-Fund Transfers .....	29
7. Unexpended Project Funds .....	29
8. Ongoing Operating Projects.....	30
9. Carryover Capital Projects.....	30
10. Reimbursement .....	30
D. Non-Substitution of Funds.....	30
E. Timely Use of Funds.....	30
1. Proposition A and Proposition C Funds .....	30
2. Determining Compliance with Timely Use Provision.....	31
3. Extension of Timely Use Provision .....	31
F. Relationship to TDA Entry and Formula Distribution .....	31
G. National Transit Database (NTD).....	31
H. Repayment of Funds for Fixed Asset Purchases.....	31

**TABLE OF CONTENTS**

V. **AUDIT SECTION**..... 33  
    A. Financial and Compliance Provisions..... 33  
    B. Audit Deliverables ..... 35  
    C. Suspension or Revocation ..... 35

**TABLE OF APPENDICES**

APPENDIX I - SUMMARY OF PROPOSITION A AND PROPOSITION C USES..... 36  
APPENDIX II - ASSURANCES AND UNDERSTANDINGS ..... 37  
APPENDIX III - PAVEMENT MANAGEMENT SYSTEM CERTIFICATION ..... 39  
APPENDIX IV - SAMPLE CAPITAL RESERVE AGREEMENT ..... 40  
APPENDIX V - SAMPLE FUND EXCHANGE AGREEMENT..... 43  
APPENDIX VI - ITS POLICY AND PROCEDURES ..... 45  
APPENDIX VII - ELIGIBLE RECREATIONAL TRANSIT SERVICE AREA MAP..... 48  
APPENDIX VIII - PROJECT FORMS A, B AND C, INSTRUCTIONS AND CODES ..... 49  
    PROJECT DESCRIPTION FORM (FORM A)  
    ANNUAL PROJECT UPDATE (FORM B) AND  
    ANNUAL EXPENDITURE REPORT (FORM C)  
APPENDIX IX - GLOSSARY OF TERMS USED IN LOCAL RETURN GUIDELINES ..... 56  
ACKNOWLEDGEMENTS ..... 65

**I. PROGRAM SUMMARY**

**A. INTRODUCTION**

The Proposition A and Proposition C Programs are funded by two 1/2 cent sales tax measures approved by Los Angeles County voters to finance a Transit Development Program. The Proposition A tax measure was approved in 1980 and the Proposition C tax measure was approved in 1990. Collection of the taxes began on July 1, 1982, and April 1, 1991, respectively.

Twenty-five percent of the Proposition A tax and twenty percent of the Proposition C tax is designated for the Local Return (LR) Program funds to be used by cities and the County (Jurisdictions) in developing and/or improving public transit, paratransit, and the related transportation infrastructure.

LR funds are allocated and distributed monthly to Jurisdictions on a "per capita" basis by the Los Angeles County Metropolitan Transportation Authority (Metro).

**1. PROPOSITION A LOCAL RETURN FUNDS**

The Proposition A Ordinance requires that LR funds be used exclusively to benefit public transit. Expenditures related to fixed route and paratransit services, Transportation Demand Management, Transportation Systems Management and fare subsidy programs that exclusively benefit transit are all eligible uses of Proposition A LR funds. Proposition A LR funds may also be traded to other Jurisdictions in exchange for general or other funds.

**2. PROPOSITION C LOCAL RETURN FUNDS**

The Proposition C Ordinance directs that the LR funds also be used to benefit public transit, as described above, but provides an expanded list of eligible project expenditures including, Congestion Management Programs, bikeways and bike lanes, street improvements supporting public transit service, and Pavement Management System projects. Proposition C funds cannot be traded.

The tables in Appendix I, page 36, summarize the Proposition A and Proposition C LR Programs and the respective eligible project expenditures.

**B. GENERAL PROVISIONS CONCERNING PROPOSITION A AND PROPOSITION C LOCAL RETURN EXPENDITURES**

Jurisdictions are required to use LR funds for developing and/or improving public transit service. As a general rule, an expenditure that is eligible for funding under one or more existing state or federal transit funding programs would also be an eligible LR fund expenditure provided that the project does not duplicate an existing regional or municipal transit service, project or program.

Allocation of LR funds to and expenditure by Jurisdictions shall be subject to the following conditions:

1. **TIMELY USE OF FUNDS**

Metro will enforce regulations to insure the timely use of LR funds. Under the Proposition A and Proposition C Ordinances, Jurisdictions have three years to expend LR funds. Funds must be expended within three years of the last day of the fiscal year in which funds were originally allocated. Therefore, by method of calculation, each Jurisdiction has the Fiscal Year of allocation plus three years to expend Proposition A and/or Proposition C funds. For example, a Jurisdiction receiving funds during FY 2005-06 must expend those funds, and any interest or other income earned from Proposition A and/or Proposition C projects, by June 30, 2009.

2. **AUDIT OF PROPOSITION A AND PROPOSITION C FUNDS**

Jurisdictions shall annually account, through a fiscal and compliance audit, to Metro on the use of LR funds. The Audit Section, (Section V, page 33), details Project Expenditure Criteria, Allowable Costs, Audit Deliverables, and Administrative Accounting Procedures.

3. **INELIGIBLE USE OF FUNDS**

If LR funds have been expended prior to Metro approval and/or used for ineligible purposes, Jurisdictions will be required to reimburse their Proposition A or C LR account, including interest and/or earned income, as indicated in the Audit Section (page 33).

Stand alone projects, such as, lighting, landscaping, traffic signals, storm drains, or Transportation Planning projects unrelated to an eligible project, are not eligible.

4. **STANDARD ASSURANCES**

If a new Jurisdiction is formed within Los Angeles County, Metro will require that a Standard Assurances and Understanding agreement be submitted prior to participation in the LR Program. A sample Standard Assurance and Understanding Agreement form is included as Appendix II (see page 37).



C. **PROPOSITION A AND PROPOSITION C FORMS AND SUBMITTAL REQUIREMENTS**

To maintain eligibility and meet LR Program compliance requirements, Jurisdictions shall submit a Project Description (Form A) as required, an Annual Project Update (Form B) and Annual Expenditure Report (Form C). Form submittal information is detailed in the Administrative Process section, page 21. Sample forms along with instructions for their completion are included as Appendix VIII (page 49). An electronic version is available on the website @www.Metro.net (under Projects/Programs; Local Return Program).

Project Description Form (Form A)

Jurisdictions shall submit for approval a Project Description Form prior to the expenditure of funds for: 1) a new project; 2) a new route; 3) a 25 percent change (increase or decrease) in route or revenue vehicle miles for an established LR funded transit service; 4) a 0.75 miles or greater service change that duplicates/overlays an existing transit service; or 5) a 25 percent or greater change in an approved LR project budget or scope on all operating or capital LR projects.

Annual Project Update (Form B)

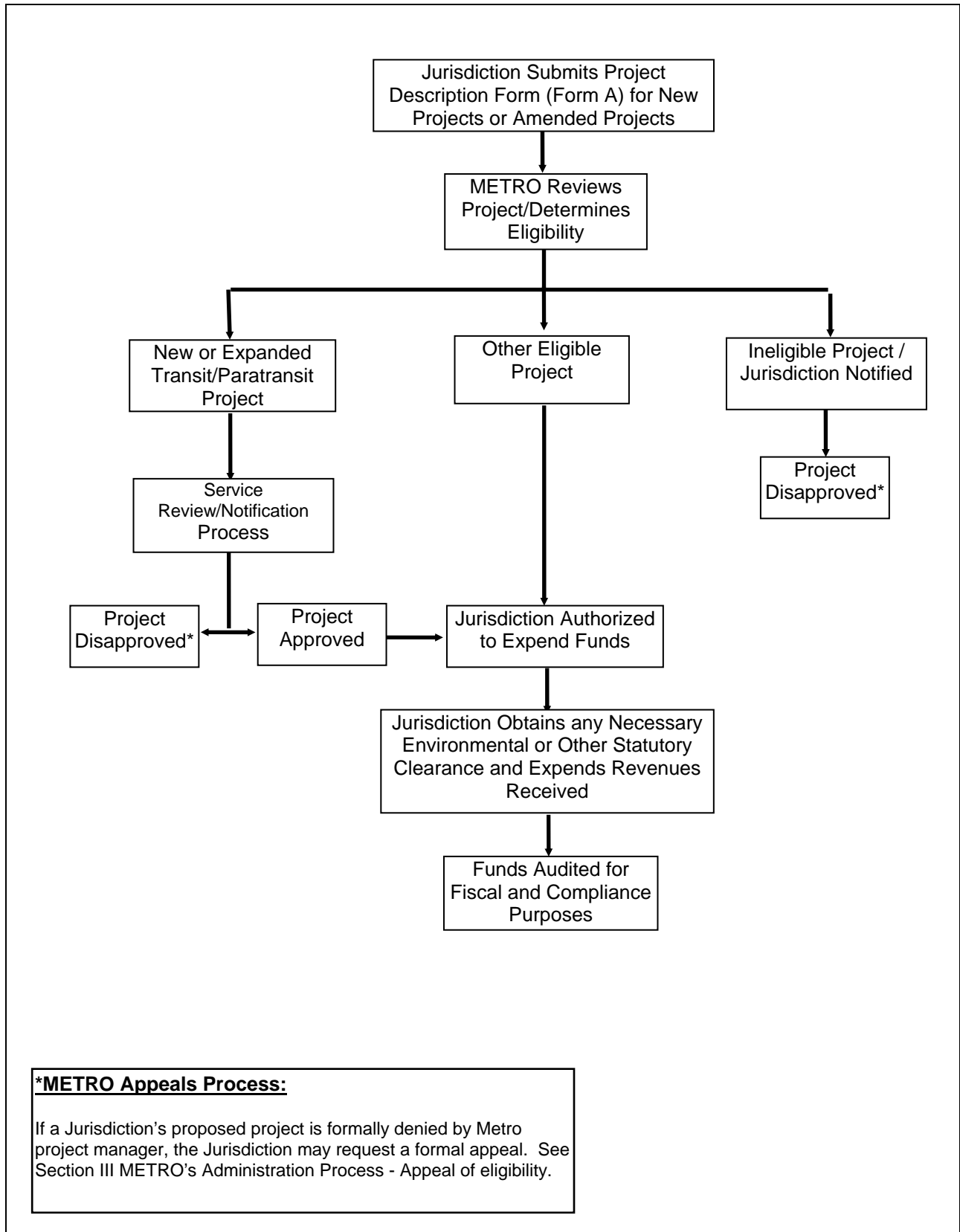
Jurisdictions shall submit on or before August 1 of each fiscal year an Annual Project Update to provide current information on all approved on-going and carryover LR projects. Metro will review and accept or return the report for changes. Cities shall report the anticipated expenditure cash flow amounts for the covered fiscal year.

Annual Expenditure Report (Form C)

On or before October 15th of each fiscal year, the Jurisdictions shall submit an Annual Expenditure Report to provide an update on previous year LR fund receipts and expenditures.

The following provides a summary of form use and due dates:

<u>FORM</u>	<u>DETERMINATION</u>	<u>DUE DATE</u>
Project Description Form - Form A	New and amended projects	Any time during the year
Annual Project Update - Form B	All on-going and/or capital (carryover) projects	August 1 <sup>st</sup> of each year
Annual Expenditure Report - Form C	Report expenditures	October 15 <sup>th</sup> of each year



**\*METRO Appeals Process:**  
 If a Jurisdiction's proposed project is formally denied by Metro project manager, the Jurisdiction may request a formal appeal. See Section III METRO's Administration Process - Appeal of eligibility.

## **II. PROJECT ELIGIBILITY**

The Proposition A and Proposition C Ordinances specify that LR funds are to be used for “public transit purposes” as defined by the following: “A proposed expenditure of funds shall be deemed to be for public transit purposes to the extent that it can reasonably be expected to sustain or improve the quality and safety of and/or access to public transit services by the general public or those requiring special public transit assistance”.

For simplification and user ease, project categories that share common eligibility requirements and/or project code designations are defined and listed as either Proposition A and Proposition C Eligible, Proposition A Exclusive, or Proposition C Exclusive. Local Return can be used as a match to grant programs such as the Metro Call for Projects, the Safe Routes to School, and the Hazard Elimination and Safety programs, so long as the projects are LR eligible. Note: The following project eligibility criteria provide for general guidance only and are not the sole determinant for project approval. The authority to determine the eligibility of an expenditure rests solely with Metro. Jurisdictions may appeal projects deemed ineligible as described in Section III, Metro’s Administrative Process, page 23.

### **A. ELIGIBLE USES OF PROPOSITION A AND PROPOSITION C**

#### **1. PUBLIC TRANSIT SERVICES - OPERATING (Codes 110,120, 130 & 140)**

New or expanded Transit or Paratransit services are subject to review under the Service Coordination Process (SCP) as detailed in Section III, page 24. The process will, in part, determine the proposed service’s compatibility with the existing regional bus transit system provided by Metro and services provided by the municipal transit operators. Metro may request that modification be made to proposed services that duplicate or compete with existing services. Proposed services must also meet the criteria outlined under Non-exclusive School Service and Specialized Transit discussed on the following page. Note that Emergency Medical Transportation is not an eligible use of LR funds.

**Examples of Fixed Route, Paratransit, and Recreational Transit Service projects follow:**

#### **1.1 FIXED ROUTE SERVICE (Project Code 110)**

- New fixed route or Flexible Destination bus service
- Extension or augmentation of an existing bus route(s)
- Contracting with a transit operator or private provider for commuter bus service
- Contracting with a transit in an adjacent county to provide transit within Los Angeles County
- Operating subsidy to existing municipal or regional bus operator
- Service enhancements related to Bus/rail Interface
- ADA improvements to fixed route operations
- Shuttle service between activity centers

## 1.2 PARATRANSIT SERVICE (Project Codes 120 & 130)

- Expansion/ coordination of existing paratransit service
- Subsidized, shared-ride taxi service for disadvantaged residents
- Taxi coupon programs used to provide intermittent or temporary capacity to support paratransit systems for senior and disabled patrons
- New paratransit service
- General public paratransit service
- ADA-related improvements to paratransit operations

### Non-Exclusive School Service

Fixed-route bus services or Demand-responsive services available to the general public, which also provide school trips, are eligible for LR funding. Exclusive school bus services are not eligible. **Projects must meet the following conditions:**

- The bus Vehicles utilized cannot be marked "School Bus" or feature graphics that in any way indicate they are not available to the general public. Yellow paint schemes should not be for the specific purpose of meeting the vehicle code definition of a school bus
- The bus Head Sign is to display its route designation by street intersection, geographic area, or other landmark/destination description and cannot denote "School Trip" or "Special." In cases where the service includes an alternate rush-hour trip to provide service by a school location, the dashboard sign is to indicate the line termination without indicating the school name
- Timetables for such services will be made available to the general public, shall provide the given schedule and route but must not be labeled "school service"
- Drivers must be instructed that such service is available to the general public and board and alight all passengers as required at designated stops
- The same fare payment options must be made available to all users
- The overall transportation service provided in the Jurisdiction must not be for school service hours only

### Specialized Public Transit

Metro will approve special-user group service or social service transit where it can be incorporated into the existing local transit or paratransit program. Jurisdictions must demonstrate that existing services cannot be modified to meet the identified user need. Projects must meet the following conditions:

- The special user group identified does not discriminate on the basis of race, religion, sex, disability or ethnicity
- Service shall be available to all members of the general public having that specialized need and not be restricted to a specific group or program
- Service shall be advertised to the general public
- Metro may require, as a condition of approval, inter-jurisdictional project coordination and consolidation
- LR funds may only be used for the transportation component of the special user group program, i.e., direct, clearly identifiable and auditable

transportation costs, excluding salaries for specialized escorts or other program aides

- The designated vehicle(s) used must be made available for coordination with other paratransit programs if space permits

**1.3 RECREATIONAL TRANSIT SERVICE (Project Code 140)**

Jurisdictions shall submit a listing of Recreational Transit Services no later than October 15 after the fiscal year. Recreational Transit Service projects must meet the following conditions:

- Travel within the area of Los Angeles, Orange and Ventura Counties, and portions of Kern, Riverside and San Bernardino Counties (see map Appendix VII, page 48) are eligible expenditures. Trip segments to areas shown on the proportionately eligible areas of the map must be funded through other sources. Trips to locations not within either the eligible or proportionately eligible area are not eligible.
- Trips may be limited to certain general age groups (e.g., children under 18, senior citizens, persons with disabilities), however, trips must be made available to all individuals within that designated group.
- Special events or destinations (e.g., city parks, concerts, special events) may be served, however, all members of the general public including individuals with disabilities must be allowed to use, the service.
- LR funds may not be used to pay the salaries of recreation leaders or escorts involved in recreational transit projects.
- All recreational transit trips must be advertised to the public, such as through newspapers, flyers, posters, and/or websites.

**2. BUS STOP IMPROVEMENTS AND MAINTENANCE (Codes 150, 160 & 170)**

Examples of eligible Bus Stop Improvement and Maintenance projects include installation/replacement and/or maintenance of:

- Concrete landings - in street for buses and at sidewalk for passengers
- Bus turn-outs
- Benches
- Shelters
- Trash receptacles
- Curb cuts
- Concrete or electrical work directly associated with the above items

Amenities shall be integral to the bus stop. Improvements must be located within 25 feet of the bus stop signpost, or have one edge or end within that area. At high volume stops, where more than one bus typically uses the stop at a time, improvements must be placed at the immediate locations where buses normally stop.

Curb cuts may be located on or adjacent to street segments (blocks) with bus stops.

**Conditions:**

Jurisdictions shall coordinate bus stop improvements (excluding curb cuts) with effected Transit Operators. A letter of coordination must be submitted with the Project Description Form. Jurisdictions that propose replacing privately owned benches or shelters must notify the Operator before requesting City Council project approval. The Operator shall have seven (7) days to respond to the notification before the Jurisdiction takes further action.

**3. PUBLIC TRANSIT - CAPITAL (Project Codes 180, 190 & 200)**

Public Transit Capital projects will be approved only for the percentage of vehicle or equipment use, as determined by Metro staff, exclusive to public transit service.

A list of sample Public Transit Capital projects follows:

- a. Vehicles/parts purchases and repairs
  - Transit vehicles for passenger service
  - Mechanical parts and supplies for buses or vans
  - Non-revenue support vehicles, such as supervisor’s cars, service trucks
  - ADA-related improvements to vehicles
  - Retrofits or additions to buses or vans, such as lifts, fare boxes, or radios
  - Security equipment, for example, cameras on buses
- b. Equipment
  - New or modified transit maintenance facilities
  - Maintenance equipment for new or existing transit or paratransit operations
  - Office equipment and furnishings for new and existing transit and paratransit operations

NOTE: Jurisdictions shall reimburse their LR Account, in the amount of the current appraised value or purchase price from resale, for Public Transit Capital projects no longer used for public transit purposes.

**4. TRANSPORTATION SYSTEMS MANAGEMENT (TSM) (Project Code 210)**

TSM projects are relatively low-cost, non-capacity-enhancing traffic control measures that serve to improve vehicular (bus and car) flow and/or increase safety within an existing right-of-way. Proposals must include an element demonstrating the project’s benefit to public transit. **A list of sample TSM projects follows:**

- Reserved bus lanes (no physical separation) on surface arterials
- Contra-flow bus lanes (reversible lanes during peak travel periods)
- Ramp meter by-pass (regulated access with bus/carpool unrestricted entry)
- Traffic signal priority for buses (to allow approaching transit vehicles to extend green phase or change traffic signal from red to green)
- Preferential turning lanes for buses
- Other traffic signal improvements that facilitate bus movement

If a Local Return funded project is or has an Intelligent Transportation System (ITS) component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures adopted by

the Metro Board including the submittal of a completed, signed self-certification form. Please go to <http://RIITS.net/RegITSDocs.html> and choose “Los Angeles Countywide ITS Policy and Procedures Document” or see Appendix VI (page 45) for information on Countywide ITS Policy and Procedures, and the self-certification form.

**5. TRANSIT SECURITY (Project Codes 220 & 230)**

Transit Security projects may include Transit Safety, Security Operations and Safety Education Programs, provided that they demonstrate a direct benefit to public transit service and do not supplant general law enforcement programs.

**A list of sample Transit Security Programs follows:**

- Local police deployment for direct and specific transit security
- Private security (state licensed) deployment for transit security
- Contracted police services for direct and specific transit security
- Capital improvements for transit security
- Innovative and/or advanced technology transit security
- Community-based policing activities in direct support of transit security
- Security awareness, graffiti prevention, Safety education and/or crime prevention programs
- Transit security at commuter rail stations and park and ride facilities

**NOTE:** Jurisdictions are encouraged to participate in existing local and regional transit security efforts, which should be coordinated through Metro.

**6. FARE SUBSIDY (Project Codes 240 & 250)**

Fare Subsidy programs provide residents within Jurisdictions a discount fare incentive for using public transit. The method, amount of subsidy and user group(s) shall be determined by Jurisdictions. **A list of sample Fare Subsidy Programs follows:**

**A list of sample Fare Subsidy Programs follows:**

- User-side subsidies (buy down of passes, tickets, or coupons) for the general public or segments of the general public (i.e., elderly, individuals with disabilities, or low-income residents)
- Subsidy of bus/rail passes, tickets or tokens for transit riders-

**7. TRANSPORTATION PLANNING (Project Code 270)**

Planning, coordination, engineering and design costs incurred toward the implementation of eligible LR projects are eligible when the following conditions are met:

- The projects being planned (designed, coordinated, etc.) are LR eligible.
- Coordination includes: local jurisdictions’ start up costs or dues for Councils of Governments (COG’s) and Transportation Management Associations (TMA’s); advocacy; and funding for Joint Powers Authorities (JPA’s) by local jurisdictions or (COG’s).
- If some of a COG’s, TMA’s or JPA’s projects or activities are LR eligible and some are not, partial payment of dues must be made, in proportion to the organization’s budget for LR eligible projects.

- Proposition A must be used to plan for Proposition A eligible projects.  
Proposition C must be used to plan for Proposition C eligible projects.

**8. TRANSIT MARKETING (Project Code 280)**

**Transit Marketing projects may include:**

- Transit user guides, maps, brochures
- Transit information Kiosks
- Transit information/pass sales centers
- New rider subsidy programs

**9. PARK-AND-RIDE LOTS (Project Code 290)**

Park-and-Ride Lot projects must be coordinated with Metro and appropriate affected transit operator(s). Additional justification including, for example, surveys or studies that provide a basis for determining the project's level of public transit use and related funding, may be requested prior to project evaluation.

**Park-n-Ride Lot projects shall:**

- be located adjacent to (no greater than 0.25 mile away from) a fixed route service bus stop, HOV lanes and/or rail stations.
- be located on unimproved land unless a specific Metro waiver is granted.
- have received environmental clearance by the Jurisdiction prior to Metro approval for construction funds
- require a letter from the affected transit operator(s) to the Jurisdiction and Metro, as reasonable assurance, that park-and-ride lot users will be assured of continued access to services.
- be used primarily by transit/rideshare patrons during commute hours.
- have appropriate exclusive-use signage posted and enforced.
- be open for general parking during non-transit use time, e.g., evenings and weekends, provided that transit user demands are not adversely impacted. All revenues, (for example, parking, advertising or related revenue) generated during the non-transit use time must be returned to the Jurisdictions' LR Account in the same proportion as the original LR investment in the facility. In the event that the facility ceases operation, the Jurisdiction shall be required to repay its LR Account as determined by the audit, see page 33.

**10. TRANSIT FACILITIES/TRANSPORTATION ENHANCEMENTS (TE) (Project Codes 300 & 310)**

**Examples of Transit Facility projects include:**

- Bus-only transit malls or stations
- Transit/paratransit accessible Transfer Centers that feature, for example, shelters, telephones, information displays/centers, and other related amenities)
- Eligible as match to TE grants.
- Eligible projects may include building rehabilitation and restoration for transit-related purposes.
- Project itself must be LR eligible.



**Conditions:**

Jurisdictions shall submit a project budget and scope of work that specifies the proposed facility’s public transit and, if applicable, joint development. Additional documentation may be required to determine project eligibility and level of funding.

If the facility ceases to be used for public transit purposes, LR funds used toward land purchase for a facility must be returned at the original purchase price or present appraised value, whichever is greater, to the Jurisdiction’s LR Account. Repayment of facility expenditures shall be based on the schedule outlined on page 31.

Prior to land and/or facility purchases, Jurisdictions shall provide the following:

- Documentation of the financial resources for facility implementation, operation and maintenance
- Assurance(s) from the affected transit carrier(s) to provide facility service
- Land appraisal
- Assurance that the Jurisdiction will proceed with the project per the implementation schedule outlined in the application
- Environmental clearance in conformance with, wherever applicable, all local, state and federal requirements. Jurisdictions preparing an Environmental Impact Report (EIR) must coordinate with Metro Regional Transportation Planning and Development Department.

**11. METRO RAIL CAPITAL (Project Codes 320)**

Metro Rail Capital projects may include, for example, Metro Red, Blue, Green, or Gold Line or Mid-City Exposition Light Rail Transit station or line improvements, local match toward Metro Rail Capital projects, Metro Art or related Metro Rail enhancements.

**12. RIGHT-OF-WAY IMPROVEMENTS (Project Code 350)**

Right-of-Way Improvements or land purchases must be coordinated through Metro to ensure consistency with adopted regional corridors, priorities or preferred alignments. Right-of-Way Improvement project proposals must also demonstrate direct, quantifiable, environmental and/or economic benefit to given LR-eligible projects.

**13. COMMUTER RAIL (Project Codes 360 & 370)**

Rail (commuter system and station enhancement) projects must be consistent with Metro’s existing and planned program of rail projects. Eligible project may include match to TE grants for building rehabilitation and restoration for transit-related purposes. Project itself must be LR eligible. **Examples of Rail projects include:**

- Signal upgrades at rail crossings
- Signage and marketing materials to promote increased commuter rail ridership
- Landscaping, lighting, fencing and environmental enhancements at or along commuter rail facilities

- System safety
- Safety education programs
- Commuter rail station operating, maintenance, insurance, or other station-related costs
- Commuter rail station capital costs

**14. CAPITAL RESERVE (Project Code 380)**

A Capital Reserve project provides Jurisdictions the opportunity to accumulate LR funds (over and above the year of allocation and three year expenditure requirement see page 30, Timely Use of Funds) to finance a large project. Projects are limited to construction of bus facilities, bus purchases, transit centers, park-and-ride lots, construction of major street improvements or rail projects along Metro's planned and adopted rail corridors.

A Capital Reserve project constitutes a long-term financial and planning commitment. For specific information on the Capital Reserve approval process, see Section III, Metro's Administration Process, page 26.

**15. DIRECT ADMINISTRATION (Project Code 480)**

Direct Administration is defined as those fully burdened costs which are directly associated with administering Local Return program or projects, and includes salaries and benefits, office supplies and equipment, and other overhead costs.

**Direct Administration project conditions:**

- All costs shall be associated with developing, maintaining, monitoring, coordinating, reporting and budgeting specific LR project(s)
- Expenditures must be reasonable and appropriate to the activities undertaken by the locality
- The administrative expenditures for any year shall not exceed 20 percent of the total LR annual expenditures, based on year-end expenditures, and will be subject to an audit finding if the figure exceeds 20%;
- The annual expenditure figure will be reduced by fund trades to other cities and/or funds set aside for reserves; conversely, the annual expenditure figure will be increased by expenditure of reserves or LR funds received in fund exchanges;
- Jurisdictions are required to report all administrative charges to Direct Administration in order to verify compliance of 20% administration cap.

**16. OTHER (Project Code 500)**

Projects that do not fit under any of the project codes, but are for public transit purposes, may be included in the "other" category. Note that "public transit purposes" are defined as follows: "A proposed expenditure of funds shall be deemed to be for public transit purposes to the extent that it can reasonably be expected to sustain or improve the quality and safety of and/or access to public transit services by the general public or those requiring special public transit assistance".

**B. EXCLUSIVE USES OF PROPOSITION A FUNDS**

**Projects listed below are eligible for Proposition A LR funding only.** Jurisdictions must certify that all project conditions will be met and include all supporting documents with submittal of the Form A. Stand alone amenities such as traffic signals, landscaping and storm drains are ineligible. Note: The following project eligibility criteria provide general guidance only and are not the sole determinant for project approval. The authority to determine the eligibility of an expenditure rests solely with Metro. Jurisdictions may appeal projects deemed ineligible as described in Section III, page 23.

**1. SIGNAL SYNCHRONIZATION (Project Code 400)**

**Signal Synchronization projects must meet the following eligibility conditions:**

- Bus priority must be included as an element of the project
- The project arterial must be used by a minimum of ten transit buses, counted bi-directionally, per hour, or five buses hourly in each direction
- Projects may be implemented only on major arterials
- Documentation of coordination with affected public transit operators is required for approval (e.g., correspondence between the Jurisdiction and the transit operator with written concurrence between the transit operator and Metro)
- Local return funds shall not be used to alter system/signal timing that was implemented under a traffic forum project/grant unless coordinated with all affected jurisdictions in the corridor.

If a Local Return funded project is or has an Intelligent Transportation System (ITS) component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures adopted by the Metro Board including the submittal of a completed, signed self-certification form. Please go to <http://RIITS.net/RegITSDocs.html> and choose "Los Angeles Countywide ITS Policy and Procedures Document" or see Appendix VI (page 45) for information on Countywide ITS Policy and Procedures, and the self-certification form.

**2. FUND EXCHANGE (Project Code 405)**

**Proposition A funds may be given, loaned, or exchanged by Jurisdictions provided that the following conditions are met:**

- Participants are responsible for insuring that the traded funds will be utilized for public transit purposes
- The exchange of funds should not result in a net loss of revenues available for public transit in Los Angeles County (i.e., trade of Proposition A funds for farebox or other transit revenues)
- Traded Proposition A LR funds retain their original date of allocation and lapse date. Jurisdictions submitting Fund Exchange projects shall note the year of allocation on their Form A so that the fund lapse policy may be monitored.

In addition, Jurisdictions shall provide the following detail in submitting Fund Exchange projects for approval:

- Source of funds to be exchanged
- Fund amounts to be exchanged
- Period of exchange
- Assurance that the end use of Proposition A LR funds will be for eligible transit uses
- Provision for circumstances should source of funds (one or both) become unavailable during the exchange period.
- Certification by participating Jurisdictions (e.g. City Council action)

**A sample Fund Exchange Agreement is included in Appendix V page 43.**

**NOTE:** Jurisdictions participating as the “seller” in a Proposition A Fund Exchange projects will, for two years from the date of transaction, be subject to disqualification or reduced project application scores in the Transportation Improvement Program (TIP) Call for Projects.

**3. TRANSPORTATION DEMAND MANAGEMENT (Project Code 410)**

Transportation Demand Management (TDM) projects are defined as strategies/actions intended to influence the manner in which people commute, resulting in a decrease in the number of vehicle trips made and vehicle miles traveled during peak travel periods.

TDM projects funded by Proposition A require a public transit element and will be evaluated on their projected impact on reduction of single-occupancy vehicle trips, corresponding vehicle miles traveled, and potential to increase transit use.

**A list of sample TDM projects follows:**

- Formation and operation of vanpool and/or vanpool incentive programs, including ride matching programs (must be made available to all employers and/or residents within the Jurisdiction boundaries)
- Community-based shuttles for employees as long as such services complement existing transit service
- Parking Management incentive programs, such as, parking cash outs or parking pricing strategies
- Employer or citizen ride-matching programs and subsidies
- Formation or ongoing operation of a Transportation Management Association to administer and market local TDM programs (provided that the 20 administrative cost stipulated for Proposition A and Proposition C is not exceeded)
- Transit and TDM-related activities required by the Congestion Management Program (CMP) including: preparation of TDM ordinances; administration and implementation of transit or TDM-related projects pursuant to CMP deficiency plans; and monitoring of transit standards by transit operators
- Funding Transportation Management Organization's (TMO) insurance costs or individual employer's vanpool programs under the umbrella vehicle insurance policy of the Jurisdiction

- Providing matching funds for LR eligible Safe Routes to School projects.

Jurisdictions are encouraged to adopt monitoring and evaluation performance standards for funding TDM projects. Jurisdictions are encouraged to utilize regionally adopted standards, and demonstrate, for example, how AQMD trip reduction targets are addressed through the TDM measure.

In conformity with regional, state and federal air quality objectives, Metro encourages use of alternative-fuel vehicles (e.g. LNG, CNG, Methanol) for any TDM-related shuttle, vanpool or paratransit vehicles.

If a Local Return funded project is or has an Intelligent Transportation System (ITS) component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures adopted by the Metro Board including the submittal of a completed, signed self-certification form. Please go to <http://RIITS.net/RegITSDocs.html> and choose “Los Angeles Countywide ITS Policy and Procedures Document” or see Appendix VI (page 45) for information on Countywide ITS Policy and Procedures, and the self-certification form.

### C. **EXCLUSIVE USES OF PROPOSITION C FUNDS**

**Projects listed below are eligible for Proposition C LR funding only.** Jurisdictions must certify that all project conditions will be met and include all supporting documents with submittal of the Form A. Jurisdictions are encouraged to use LR funds for improved public transit services and for multi-jurisdictional cooperation of arterial traffic signal control operations. Agency costs for operating a centralized traffic signal system, including those costs linked to a local agency’s participation in the countywide Information Exchange Network (IEN), are now eligible for reimbursement. Stand alone amenities such as landscaping and storm drains are ineligible. Note: The following project eligibility criteria provide for general guidance only and are not the sole determinant for project approval. The authority to determine the eligibility of an expenditure rests solely with Metro. Jurisdictions may appeal projects deemed ineligible as described in Section III, page 23.

#### 1. **SIGNAL SYNCHRONIZATION & TRAFFIC MANAGEMENT (Project Code 400)**

##### **Synchronized Signalization projects must meet the following conditions:**

- Projects shall be implemented only on major arterials.
- Operation costs associated with centralized traffic signal control systems, including updating traffic signal coordination timing and costs associated with multi-jurisdictional or inter-community systems, (such as the IEN or ATSAC/ATCS) or with transit signal priority systems, are eligible. Costs may include: lease lines for communication; software licenses and maintenance; hardware maintenance, maintenance and repair of hardware, vehicle detection devices and interconnect lines; warranties; and upgrades and enhancements for software or hardware. Cities shall coordinate the signal timing or systems with other affected jurisdictions.

- The major arterial targeted for implementation must have full-sized transit buses operating on regularly scheduled fixed routes.
- Documentation of coordination with affected public transit operators is required for approval (e.g., correspondence between the Jurisdiction and the transit operator with written concurrence from the transit operator to Metro)
- Local return funds shall not be used to alter system/signal timing that was implemented under a traffic forum project/grant unless coordinated with all affected jurisdictions in the corridor.

**Installation or modification of traffic signals which are not part of a larger transit project are not eligible, except as detailed in this section.** Maintenance and replacement of traffic signals are not eligible.

Traffic signal projects will be reviewed and considered on a case by case basis to evaluate the transit benefit of the project. The following information may be requested and evaluated, depending on the type of traffic signal project:

- Number of transit boardings at the affected transit stop or station
- Transit patrons as a proportion of pedestrian volume
- Transit vehicles as a proportion of vehicle flow
- Letter from affected transit operator requesting and justifying traffic signal installation or modification
- Proximity of proposed signal to transit stop or station
- The affected transit stop(s) must be served by transit with 15 minute or greater frequency to be eligible.
- Proximity to adjacent controlled intersection

Based on the review, all or a proportion of the project costs may be eligible for Local Return funds.

If a Local Return funded project is or has an Intelligent Transportation System (ITS) component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures adopted by the Metro Board including the submittal of a completed, signed self-certification form. Please go to <http://RIITS.net/RegITSDocs.html> and choose “Los Angeles Countywide ITS Policy and Procedures Document” or see Appendix VI (page 45) for information on Countywide ITS Policy and Procedures, and the self-certification form.

## **2. TRANSPORTATION DEMAND MANAGEMENT (Project Code 410)**

Transportation Demand Management (TDM) projects are defined as strategies/actions intended to influence the manner in which people commute, resulting in a decrease in the number of vehicle trips made and vehicle miles traveled during peak travel periods.

TDM projects funded by Proposition C will be evaluated on their proposed impact on reduction of single-occupancy vehicle trips and corresponding vehicle miles traveled.

**A list of sample TDM projects follows:**

- Formation and operation of vanpool and/or vanpool incentive programs, including ride matching programs (must be made available to all employers and/or residents within the Jurisdiction boundaries)
- Community-based shuttles for employees as long as such services complement existing transit service
- Parking Management incentive programs, such as, parking cash outs or parking pricing strategies
- Employer or citizen ride-matching programs and subsidies
- Formation or ongoing operation of a Transportation Management Association to administer and market local TDM programs (provided that the 20% administrative cost stipulated for Proposition A and Proposition C is not exceeded)
- Transit and TDM-related activities required by the Congestion Management Program (CMP) including: preparation of TDM ordinances; administration and implementation of transit or TDM-related projects pursuant to CMP deficiency plans; and monitoring of transit standards by transit operators
- Funding Transportation Management Organization's (TMO) insurance costs or individual employer's vanpool programs under the umbrella vehicle insurance policy of the Jurisdiction
- Providing matching funds for LR eligible Safe Routes to School projects.

Jurisdictions are encouraged to adopt monitoring and evaluation performance standards for funding TDM projects. Jurisdictions are encouraged to utilize regionally adopted standards, and demonstrate, for example, how AQMD trip reduction targets are addressed through the TDM measure.

In conformity with regional, state and federal air quality objectives, Metro encourages use of alternative-fuel vehicles (e.g. LNG, CNG, Methanol) for any TDM-related shuttle, vanpool or paratransit vehicles.

If a Local Return funded project is or has an Intelligent Transportation System (ITS) component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures adopted by the Metro Board including the submittal of a completed, signed self-certification form. Please go to <http://RIITS.net/RegITSDocs.html> and choose "Los Angeles Countywide ITS Policy and Procedures Document" or see Appendix VI (page 45) for information on Countywide ITS Policy and Procedures, and the self-certification form.

**3. CONGESTION MANAGEMENT PROGRAM (CMP) (Project Code 420)**

**The following provides a list of sample CMP projects:**

- Land use analysis as required by CMP
- Computer modeling as required to support CMP land use analysis
- Administration, monitoring and implementation of transit- or TDM-related projects as part of deficiency plans
- Monitoring of transit standards by transit operators

**4. BIKEWAYS AND BIKE LANES (Project Code 430)**

**Bikeway projects include bikeway construction and maintenance, signage, information/safety programs, and bicycle parking, and must meet the following conditions:**

- Shall be linked to employment or educational sites
- Shall be used for commuting or utilitarian trips
- Jurisdictions must have submitted a PMS Self Certification (see page 20, and Appendix III on page 39).

**5. STREET IMPROVEMENT AND MAINTENANCE (Codes 440, 450 & 460)**

Proposition C Local Return funds are to be used for the maintenance and improvements to street and highways used as public transit thoroughfares. Street Improvement and Maintenance Projects Capacity enhancements include repair and maintenance projects with a direct benefit to transit. **Projects must meet the following conditions and reporting requirements:**

**A. CONDITIONS:**

**Public Transit Benefit**

Projects must demonstrate a public transit benefit or be performed on streets “heavily used by public transit,” where such streets carry regularly-scheduled, fixed-route public transit service, and where service has operated for a minimum of one (1) year and there are no foreseeable plans to discontinue such service.

If there are no fixed-route systems within a Jurisdiction, or if all the streets supporting fixed-route systems are already in a satisfactory condition as documented by the required Pavement Management System (PMS), a Jurisdiction may use LR funds for street improvements and maintenance and repair on streets within their community on which they can demonstrate that public paratransit trips, that have been in service for a minimum of one year, concentrate.

The method of demonstrating heavy-use by paratransit vehicles is to document trip pick-up and drop-off locations, including street-routing, for a consecutive three month time period. The data will be used in making a determination on which street segments have heavy-use by this form of transit.

**Pavement Management System (PMS)**

If Proposition C LR funds are to be used for street improvement or maintenance, a jurisdiction must have a PMS in place, and use it. (See PMS code 470 for self certification requirements, page 20).

**Maintenance of Effort (MOE) Requirement**

The goal of the Proposition C LR Program is to improve transportation conditions, including the roadways upon which public transit operates. When used to improve roadways, the additional funds provided to local jurisdictions through the Proposition C LR Program are intended to supplement existing local revenues being used for road improvement purposes. Cities and counties shall maintain their existing commitment of local, discretionary funds for street and



highway maintenance, rehabilitation, reconstruction, and storm damage repair in order to remain eligible for Proposition C LR funds to be expended for streets and roads.

Metro will accept the State Controller's finding of a Jurisdiction's compliance with the California Streets and Highways Code as sufficient to demonstrate the required Maintenance of Effort during any fiscal year in which Proposition C LR funds are expended for streets and roads.

## **B. REPORTING REQUIREMENTS**

Street maintenance, rehabilitation or reconstruction projects should be submitted individually. Jurisdictions shall submit a Project Description Form listing all new project street segments prior to undertaking each street maintenance or improvement project. Jurisdictions will be advised as to any eligible and ineligible street segments within 30 days of project submittal.

The projects must be reflected on subsequent Annual Project Update (Form B) submittals and Annual Expenditure Reports (Form C) until the project is completed or deleted from the work program. Once deleted, a segment must be re-submitted for approval if a new street maintenance project on the segment is subsequently planned.

### **Eligible Street Improvement and Maintenance Projects**

#### **1. Exclusive Bus Lane Street Widening**

Such projects are for exclusive bus lanes (physically separated) on surface arterials.

#### **2. Capacity Enhancement**

Capacity Enhancement projects are level-of-service and/or capacity improvements capital projects. These projects must include a public transit element that is comprised of transit vehicles on streets that are "heavily used by transit." Examples of these projects include street widening or restriping to add additional lanes.

#### **3. Street Repair and Maintenance**

Eligible Street Repair and Maintenance projects are limited to pavement maintenance, slurry seals, and chip seals, pavement rehabilitation and roadway reconstruction. Required curb, gutter, and catch basin repair (storm drains) on streets "heavily used by transit" that are part of a rehabilitation or reconstruction project are eligible. Betterments are not eligible for LR funding.

#### **4. Safety**

Street improvement projects to increase safety are eligible, but must have a direct and clearly demonstrable benefit to both safety and transit. At Metro's discretion, a project may be approved on a down-scoped demonstration basis. The local jurisdiction would be required to conduct a before and after evaluation prior to Metro approval of the full project scope.

5. Americans with Disabilities Act Related Street Improvements

In compliance with the Americans with Disabilities Act (ADA), the provision of curb cuts or passenger boarding/alighting concrete pads at or adjacent to bus stops and other accessible improvements on roadways “heavily used by transit” is an eligible use of Proposition C LR funds. Such modifications must meet ADA and California Title 24 specifications.

7. PAVEMENT MANAGEMENT SYSTEM (PMS) (Project Code 470)

**Sample Pavement Management System projects include:**

- Cost to purchase, upgrade or replace a Pavement Management System.
- The ongoing cost of maintaining a PMS equal to the proportion of a Jurisdiction’s eligible street mileage to total street mileage; or 50% of the PMS maintenance cost, whichever is greater.

**Note:** Jurisdictions are required to certify that they have conducted and maintain Pavement Management Systems when proposing "Street Repair and Maintenance" or “Bikeway” projects (see Appendix III, page 39). The requirement for a PMS is consistent with Streets & Highways Code Section 2108.1.

**PMS must include the following:**

- Inventory of existing pavements including, as a minimum, arterial and collector routes, reviewed and updated triennially;
- Inventory of existing Class I bikeways, reviewed and updated triennially;
- Assessment of pavement condition including, as a minimum, arterial and collector routes, reviewed and updated triennially;
- Identification of all pavement sections needing rehabilitation/replacement; and
- Determination of budget needs for rehabilitation or replacement of deficient sections of pavement for current and following triennial period(s)

Self-certifications (included in Appendix III) executed by the Jurisdiction’s Engineer or designated, registered civil engineer, must be submitted with a Form A for new street maintenance or bikeway projects, or Form B (biannually) for ongoing projects, to satisfy “Street Repair and Maintenance” and “Bikeway” project eligibility criteria.

### **III. METRO'S ADMINISTRATIVE PROCESS**

#### **A. REPORTING REQUIREMENTS FOR JURISDICTIONS**

##### **STANDARD ASSURANCES**

In the event that a new Jurisdiction is formed within Los Angeles County, Metro will require that a Standard Assurances and Understanding agreement be submitted prior to participation in the LR Program. A sample Standard Assurance and Understanding agreement form is included as Appendix II, see page 37.

##### **PROPOSITION A AND PROPOSITION C FORMS**

To maintain legal eligibility and meet LR Program compliance requirements, Jurisdictions shall submit to Metro a Project Description Form as required, an Annual Project Update and Annual Expenditure Report. A Project Description Form, Annual Project Update and Annual Expenditure Report (Forms A, B and C along with instructions) are included in Appendix VIII, starting on page 49.

##### **PROJECT DESCRIPTION FORM (FORM A)**

A new project that meets the eligibility criteria listed in Section II, Project Eligibility, must be submitted to Metro on Project Description Form (Form A) prior to the expenditure of funds. Metro will review the project to determine if it meets the statutory eligibility requirement and notify Jurisdictions of the project's LR funding eligibility. If a Jurisdiction expends Proposition A or Proposition C LR funds for a project prior to Metro approval, the Jurisdiction will be required to reimburse its LR Account. Additionally, approvals cannot be retroactive.

A Project Description Form (Form A) may be submitted any time during the fiscal year. Metro will review and accept or return the report for changes. All projects must be identified with their own unique sequence and project code, e.g. 01-200, and the form must be filled out completely. Once a Jurisdiction decides to proceed on a new or revised project, the Jurisdiction should comply with the following process before expending any funds:

##### **STEP 1 - Form Submittal**

A Project Description Form (Form A) shall be submitted whenever a Jurisdiction proposes a 1) a new project; 2) a new route; 3) a 25 percent or more (increase or decrease) in route or revenue vehicle miles for an established LR funded transit service); 4) a 25 percent or greater change in an approved LR project budget or scope, or 5) a service change that duplicates/overlays an existing transit service equal to or greater than .75 miles.

A change is defined as any modification to route, budget, service area, stops, frequency, fare or clientele for the project as originally approved or subsequently approved by Metro.

**NOTE:** a.) All new transit or paratransit service projects, existing services with a change of 25% or more (increase or decrease), or cancellation of services, are subject to review under the Service Coordination Process (as described on page 24).

- b.) If transit service is canceled, Jurisdictions should notify Metro in writing, secure review by the Service Review Process, and inform the public.

STEP 2

Metro staff will review Form A to determine if the project is eligible for LR expenditure.

STEP 3

After it is determined that the project is eligible, Metro staff will notify Jurisdictions in writing authorizing the expenditure of the LR funds. This will be done within thirty days of receipt of Form A. However, if additional information/justification for the project is required, it may take longer for the approval.

STEP 4

Form A will be used as the basis for a Jurisdiction's annual compliance audit required under the LR Program. Records should be maintained as stated in Audit Section V, page 33.

ANNUAL PROJECT UPDATE (FORM B)

Jurisdictions shall submit on or before August 1 of each fiscal year an Annual Project Update (Form B) to provide Metro with an update of *all* approved, on-going and carryover LR projects. Jurisdictions will be informed in writing of approval for project continuance. Metro will review the report and accept or return the report for changes. Staff review will consist of verification that the status of the projects listed corresponds to the originally approved projects. All projects should have their own identifying code, e.g. 01-200.

Projects for service operations whose anticipated start-up date is in the middle of the fiscal year, should be budgeted for services through the end of the fiscal year only. After the first year of service operations, project updates should be submitted annually, by August 1 of the new fiscal year.

ANNUAL EXPENDITURE REPORT (FORM C)

On or before October 15 of each fiscal year, Jurisdictions shall submit an Annual Expenditure Report (Form C) to notify Metro of previous year LR fund receipts and expenditures. Metro will review the report and approve or return for changes.

For Jurisdictions with Recreational Transit projects, Jurisdictions are required to annually submit an accounting of Recreational Transit trips, destinations and costs. This information should be submitted along with the Form C, no later than October 15 after the fiscal year.

Jurisdictions are required to call out administration charges to Direct Administration (Project Code 480) in order to verify compliance of 20% cap on administration costs.

The following provides a summary of form use and due dates:

<u>FORM</u>	<u>DETERMINATION</u>	<u>DUE DATE</u>
Project Description Form - Form A	New and amended projects	Any time during the year
Annual Project Update - Form B	All on-going and/or capital (carryover) projects	August 1 <sup>st</sup> of each year
Annual Expenditure Report - Form C	Report expenditures	October 15 <sup>th</sup> of each year

**B. APPEAL OF ELIGIBILITY**

Jurisdictions submitting a project, which has been classified by Metro staff as ineligible, may appeal the determination. An appeal should be submitted in writing to the Chief Planning Officer of Countywide Planning & Development. The project will then be reviewed for eligibility.

Should the project be denied eligibility status by the Chief Planning Officer, a final appeal may be submitted in writing to the Chief Executive Officer. The project will then come before the Metro Board for final determination of eligibility.

The appeal process is administered as a Board Public Hearing by the Board Secretary's office at the regularly scheduled Planning and Programming meetings. The Board has the authority to act on the transcript of the Hearing or to conduct its own hearing. The Metro Board decision is final.

Once the determination is final (either by an administrative determination that is not appealed within the 10-day statute of limitations, or as a result of the appeal process), Metro staff will send a notice of final determination of project eligibility to the Jurisdiction with conditions described or attached.

**C. GOVERNING BODY AUTHORIZATION**

While Metro does not require Jurisdictions to file a governing body authorization when submitting LR Forms (e.g., a city resolution or minute order), it is the responsibility of the Jurisdiction to keep these documents on file for audit purposes.

**D. ENVIRONMENTAL REVIEW RESPONSIBILITY**

Jurisdictions are the lead agencies for the projects with which they propose to implement using LR funds. Therefore, those agencies are responsible for preparing the necessary state and/or federal environmental documentation, and must comply with all applicable provisions of the California Environmental Quality Act, or if federal funds are involved, the National Environmental Policy Act.

**E. PROJECT DESCRIPTION FORMS AND THE PROPOSITION A AND PROPOSITION C 40% DISCRETIONARY PROGRAM**

If a Jurisdiction submits a project description for operating assistance for an included transit operator, the amount of operating assistance applied for will be considered as an operating subsidy in the fiscal year specified in Forms A or B. The full LR operating assistance amount shown in Form A or B will be considered when determining the eligible Proposition A or C Discretionary grant amount in accordance with the Proposition A and Proposition C 40% Discretionary Program Guidelines. Any changes must be approved prior to the close of the specific fiscal year. No changes will be approved after November 1 of the following fiscal year (e.g., changes in FY 2006-2007 projects must be received by Metro prior to November 1, 2007 to allow adequate time for staff review).

In addition, depreciation is not an eligible operating expense for which LR funds can be allocated, committed, encumbered, or claimed.

F. ANNUAL PROJECT UPDATE SUBMITTALS BY RECIPIENTS OF METRO FORMULA FUNDS

Jurisdictions with municipal bus operations receiving Metro formula funds (e.g. TDA Article 4, FTA Section 5307 and State Transit Assistance funds) should submit projects with the regular Transportation Improvement Program (TIP) and TIP-amendment cycle to facilitate processing and coordination. Other Jurisdictions may submit Project Description Forms at any time. LR projects and revenue may be shown in the Los Angeles County TIP for information purposes.

G. OTHER RESPONSIBILITIES OF JURISDICTIONS

It is the responsibility of Jurisdictions to ensure that all applicable federal, state and local requirements are met with regard to public health and safety, affirmative action, fair labor practices, transit accessibility to disabled persons, etc. Metro has no responsibilities in these areas with regard to local transit projects carried out by Jurisdictions receiving Proposition A or C revenues.

H. AMERICANS WITH DISABILITIES ACT MAINTENANCE OF EFFORT (MOE)

Metro will continue to monitor the operations of LR funded paratransit services to ensure that ADA paratransit-eligible riders continue to receive non-discriminatory transportation service on local paratransit systems pursuant to ADA and TDA. If Metro determines that ADA paratransit-eligible individuals are disproportionately being denied service, Metro will work with the LR funded agency to resolve the issue, up to and including a Maintenance of Effort.

Jurisdictions that currently provide paratransit service are required to continue to provide either ADA-eligible individual transportation service, or fund transportation trips that are completely within their jurisdictional boundaries, when requested. This obligation may not exceed 20 percent of the total LR allocation to the jurisdiction. If no requests for service within the jurisdiction are received, there will be no obligation to provide service or funding.

To better determine the accessibility of pathways to and from bus stops in Los Angeles County, all jurisdictions and the County of Los Angeles are requested to submit their projects on the Project Description Form (Form A) indicating what accessible features are being updated. Examples include curb cuts, installation or repair of pedestrian walkways, bus pads, and/or removal of sidewalk barriers (telephone poles, light poles, and other barriers). This form shall be submitted as required under these Guidelines.

I. SERVICE COORDINATION PROCESS

If a Jurisdiction is proposing to use LR funds for a new or expanded paratransit or transit service project, it is required to comply with the following Service Coordination Process:

The Service Coordination Process has four principal steps: Early Consultation by the proposing Jurisdiction with Metro Operations, and Contract Departments as the service is being developed at a local level; Proposition A or Proposition C LR eligibility review; service coordination administrative review; Metro Board Appeal Process to review the administrative determination, if requested. The following instructions should assist Jurisdictions in completing the service coordination review process:

Under the Proposition A and Proposition C Ordinances, transit services provided by Jurisdictions with LR funds should not duplicate existing transit or paratransit services.

The Proposition A and Proposition C LR Guidelines require Jurisdictions to follow the service coordination process under the following conditions: when a new service is proposed or when current service is modified by expanding service by 25 percent (increase or decrease) in route miles, revenue vehicle miles, service areas, stops, frequency or fare; when a proposed new route or change duplicates an existing route for 0.75 miles or more; or if a service is canceled.

1. **Implementing A Proposed New or Modified Transit or Paratransit Service**

When implementing a new or modified transit service or paratransit service project Jurisdictions should comply with the following process:

- a. Prior to Submittal of the Project Description Form -- Metro encourages Jurisdictions to work closely with Programming and Policy Analysis staff and Metro's Operations Unit (Sector General Managers and Deputy Executive Officer of Service Development) when a service project is being developed, in order to avoid or reduce service duplication impacts.
- b. Submitting a Project Description Form -- Similar to other LR projects, Jurisdictions are required to submit a Form A describing the new or modified service.
- c. Letter of Conditional Approval Will Be Sent to Jurisdictions -- After Metro Operations staffs have reviewed Form A, a letter of conditional approval is sent to Jurisdictions, subject to Metro Service Development Team review. This letter is then forwarded with a recommendation to the ***Service Development Team***, to potentially affected Jurisdictions and transit operators, with the Form A and any route maps, service schedules and fare information provided by the proposing Jurisdiction.
- d. Role of Service Development Team – Metro Service Development Team is an executive level committee that is chaired by Metro Chief Executive Officer (CEO). This committee reviews key issues concerning agency transportation and planning projects. The Service Development Team will use the following criteria for evaluating the impacts of new or expanded services funded:
  - Potential for passenger and revenue diversion from the existing transit services, resulting from service duplication, to the proposed new or expanded service
  - Operational considerations such as available street capacity, bus zone curb space, street configuration and traffic congestion
  - Type of service and/or markets served by the new service, compared to existing services in the area
  - Early coordination and project development with existing service providers and Jurisdictions (efforts beyond the minimum 60 days)

Metro will encourage fare coordination and connectivity with other interfacing transit operators.

- e. Letter of Final Approval or Disapproval -- Based on the evaluation criteria, the Service Development Team will either grant approval or deny a Jurisdiction's request. The Committee will notify the Jurisdiction of the outcome.
- f. Board Appeal Process -- If the project is disapproved, the Jurisdiction may file an appeal. See Appeal of Eligibility, page 23.

2. **Seasonal or Emergency Temporary Service**

Seasonal service lasting less than 60 days will be administratively reviewed and considered for approval without Metro Board review, unless an Metro Board action is specifically requested. In the event of an emergency, staff reserves the right to temporarily waive the service coordination requirements. Any projects begun under emergency waiver conditions must undergo the New Service Coordination review process within 60 days after the emergency has ended, in order to continue to be eligible for expenditure of LR funds. Seasonal or emergency services are not considered ongoing projects. Equipment purchased during the emergency waiver period will not be subject to prior approval. Emergency service may continue during the subsequent New Service Review process.

3. **Contracting With Other Service Providers**

Jurisdictions may use their LR funds to contract with other public or private service providers for new or improved transit services, subject to non-duplication/competition requirements.

J. **CAPITAL RESERVE PROCESS - APPROVAL PROCEDURE**

Jurisdictions who wish to establish a Capital Reserve fund with LR revenues should note that establishing a Capital Reserve fund constitutes a long term financial and planning commitment. The approval procedure is as follows:

- a. The Project Description *Form (Form A)*, submitted by the Jurisdiction, must be reviewed by Metro staff and approved by Metro Board;
- b. If the project is approved, the Jurisdiction is required to:
  - Enter into a Capital Reserve Agreement (see sample in Appendix IV, page 40) with Metro to reserve funds
  - Establish a separate account, or a sub-account, for Capital Reserve funds. Any interest accrued on the Capital Reserve Account would remain in said account
  - Include the Capital Reserve amount and the current project status in their Project Annual Update (Form B) and on the Annual Expenditures Report (Form C, including any expenditures or interest accrued.
- c. Conditions of the Capital Reserve Agreement:
  - The annual audit will include a detailed audit of the jurisdiction's capital reserve account.
  - Every three (3) years, Metro must evaluate the Capital Reserve Account as it pertains to the status of the project; and the projected amount of funds available.
  - If the funds are expended for projects other than the originally-approved capital project, the jurisdiction must pay the funds back to Metro.
  - If the capital project is not completed within the time specified under the terms of the Capital Reserve Agreement, its funds will be subject to lapse. However, if the project is delayed, Jurisdictions should request in writing to Metro approval to extend the life of the reserve. Such projects will be reviewed on a case-by-case basis.
  - For rail projects, if it is decided by Metro that the Rail corridor is no longer a high priority, the agreement will be terminated and the Jurisdiction must:
    1. Dissolve the Capital Reserve fund and return the accumulated funds, including any interest earned, to the Jurisdiction's LR fund; and



2. Reprogram the funds, within the next three (3) years from the Agreement termination date (see Appendix IV for Sample Agreement, page 40). While the Jurisdiction is not required to expend all of the funds within these three years, Metro reserves the right to impose a reasonable limit on the period of expenditure for reprogrammed funds.
  - If there is action by Metro to suspend a rail project, the Jurisdiction may continue to hold onto the reserve until such time the project is reinstated as active or terminated.
  - If, at any time a Jurisdiction, independent of any Metro action, desires to reprogram all or part of the funds in the Capital Reserve Account, the Jurisdiction must indicate the proposed use of the accumulated funds to be reprogrammed, and receive Metro approval.
  - If, at any time either party decides to terminate the Capital Reserve Project, a letter shall be submitted giving 30 days notice of the termination.
  - If the Capital Reserve Project is terminated, the Timely Use of Funds period on the lapsing date of the reserved funds will be reviewed and determined by the audit.
- d. Metro approval for reprogramming funds will be based on the following:
  - If after exhausting all LR funds, additional funds are necessary to meet critical immediate or pending transit needs
  - If the reprogramming request is approved, the agreement between Metro and the Jurisdiction will be either terminated or amended accordingly
  - If the reprogramming request is disapproved, the Jurisdiction would be required to continue the capital reserve account as stipulated or apply to draw the fund down for another Metro approved capital-related project.

K. FUND EXCHANGE

Only Proposition A funds may be exchanged or traded. Refer to page 13 for conditions.

L. LOANING LR FUNDS BETWEEN JURISDICTIONS (FOR PROPOSITION A ONLY)

In order to meet short-term project needs while preserving longer-term reserves or to avoid loss of funds due to the timely-use provisions, the Jurisdictions may arrange a mutually acceptable temporary transfer or loan from one Jurisdiction to another. These loans are to be made on terms to be negotiated between the involved parties. The participating Jurisdictions are held mutually responsible for ensuring that the end use of Proposition A is for statutorily-allowed purposes. The timely use provision as indicated on page 30 will apply to loaning of such funds. Metro must be notified of the amount, terms and period of such arrangements within thirty days of such arrangements.

Note: Metro reserves the right to temporarily reallocate funds. Any temporary reallocation would be subject to full review by the Planning and Programming Committee and approved by Metro Board.

M. GIVING PROPOSITION C LR FUNDS TO ANOTHER JURISDICTION

Since the Proposition C Ordinance does not allow trades or exchanges of these funds, a Jurisdiction can give its Proposition C funds to another Jurisdiction for the implementation of a mutual project. However, the Jurisdiction giving the funds away cannot accept an exchange or gift of any kind in return. Jurisdictions involved in giving funds should obtain Metro approval and keep official agreements on file.

N. REIMBURSEMENT

LR funds may be advanced for other grant funds as long as the project itself is eligible under LR Guidelines. The grant funds must be reimbursed to the LR fund.

**IV. FINANCE SECTION**

A. METRO'S METHOD OF APPORTIONMENT

The Proposition A Ordinance specifies that twenty-five percent (25%) of all Proposition A revenues, while the Proposition C Ordinance specifies that twenty percent (20%) of all Proposition C revenues, are to be allocated to Jurisdictions for local transit on a "per capita" basis. The annual estimate of Proposition A and Proposition C revenues will be derived by Metro staff based on projections by the State Board of Equalization.

After administrative costs of the Proposition A and Proposition C Programs are deducted, apportionments are made to all Jurisdiction within Los Angeles County, currently 88 cities and the County of Los Angeles (for unincorporated areas), on the basis of population. These population shares are based on the projected populations derived from annual estimates made by the California State Department of Finance.

B. METRO'S FUND DISBURSEMENT

The Proposition A and Proposition C funds are disbursed by Metro on a monthly basis. The disbursements to an individual Jurisdiction will equal that Jurisdiction's population-based share of actual net receipts for the month.

C. ACCOUNTING FOR PROPOSITION A AND PROPOSITION C REVENUES AND EXPENDITURES BY JURISDICTIONS

1. ESTABLISHING A SEPARATE ACCOUNT

Jurisdictions which do not use the State Controller's Uniform System of Accounts and Records must establish a separate Proposition A and Proposition C Local Transit Assistance Account and deposit all Proposition A and Proposition C LR revenues, interest earnings received, and other income earned from Proposition A and Proposition C LR in that account.

In accordance with the State Controller's instructions, Jurisdictions which use the Controller's Uniform System do not need to establish a separate Proposition A and Proposition C Local Transit Assistance Account but will list all Proposition A and Proposition C revenues (including interest) and expenditures as special line items in the Uniform System. In any case, all Jurisdictions will be required to account for and identify all Proposition A and Proposition C receipts, interest, and expenditures. This will enable financial and compliance audits to be conducted in an organized and timely fashion. Sufficient unrestricted cash or cash equivalent must be available at all times to meet the needs of general Jurisdiction operations without impairment of the Proposition A and Proposition C Local Transit Assistance Accounts.

2. EXCEPTIONS FOR RECIPIENTS OF TDA ARTICLE 4 FUNDS

A separate account or fund is not mandatory when Proposition A and Proposition C LR funds are accounted for in an enterprise fund and are exclusively used as transit operating subsidies as long as the Jurisdiction/operator is able to maintain accounting records. These records should allow for the preparation of financial statements, which present assets, liabilities, revenues, expenditures (if any) and transfers out. While it is necessary that Proposition A and Proposition C Program recipients be able to demonstrate that they have complied with applicable guidelines in expending Proposition A and Proposition C funds as operating subsidies, it is not necessary that such expenditures be separately identifiable for audit purposes.

3. POOLING OF FUNDS

Metro will allow Jurisdictions to pool Proposition A and Proposition C LR funds in order to obtain maximum return on investments. Such investment earnings must be reported and expended consistent with these guidelines. As in fund exchanges or transfers, Jurisdictions involved in such arrangements should keep adequate records of such transactions in order to allow for subsequent audits.

4. INTEREST AND OTHER EARNED INCOME

Jurisdictions are entitled to retain any and all interest revenues, which they may earn on their Proposition A, and Proposition C revenues. Other income earned from Proposition A and Proposition C projects such as fare revenues, revenue from advertising, etc., may also be retained by Jurisdictions in their LR accounts. Such earnings must be reported and expended consistent with these guidelines. Jurisdictions must maintain accurate records for the amount of interest earned each year. Interest must be allocated to the Local Transit Assistance Account on an annual basis, and reported as part of the annual audit.

5. PROJECT REVENUE

The Jurisdictions need only report project-generated revenues, such as fares, when such revenues are retained and recorded by the Jurisdiction. Revenues should be reported on the accrual basis.

6. INTER-FUND TRANSFERS

On an accrual basis of accounting, Jurisdictions should make note of the following: expenditures for an approved project, which are made from a fund other than the Proposition A or Proposition C LR fund and will be reimbursed by Proposition A and Proposition C LR funds, should be included in the Annual Expenditure Report to Metro in the period such expenditures are made and not in the period in which the disbursing fund is reimbursed for such expenditures.

7. UNEXPENDED PROJECT FUNDS

All unexpended project funds remaining upon completion of an approved project must be re-programmed.

8. ONGOING OPERATING PROJECTS

Continuing administration, transit or paratransit projects, are ongoing projects. Such projects which have unexpended funds at the year end (excluding any outstanding liabilities) may not carry fund balances into the next fiscal year. Ongoing projects must be resubmitted on an annual basis (see Annual Project Update on page 22).

9. CARRYOVER CAPITAL PROJECTS

All other types of projects not cited above which 1) are not completed within the applied fiscal year and 2) have unexpended funds (i.e., fund balance), may be carried into the next fiscal year without resubmitting a project description. However, until completed, such projects must continue to be reported in the Annual Project Update and Annual Expenditure Report (Forms B and C).

10. REIMBURSEMENT

Local Return funds may be used to advance a project which will subsequently be reimbursed by federal, state, or local grant funding, or private funds, if the project itself is eligible under LR Guidelines. **The reimbursement must be returned to the appropriate Proposition A or Proposition C LR fund.**

D. NON-SUBSTITUTION OF FUNDS

1. Proposition A and Proposition C revenues should only be used to maintain and/or improve public transit services. They may not be used to substitute for property tax revenues, which are currently funding existing programs. If the Jurisdiction is unable to segregate property tax from other general fund revenues which cannot be so distinguished, substitution of Proposition A and Proposition C funds for general funds is also prohibited.
2. Jurisdictions which currently receive federal and/or state transit-assistance funds may use Proposition A and Proposition C revenues to replace or supplement any other state, federal, or local transit funds, as long as there is no relation to the property tax (as noted above).
3. Metro Staff reserves the right to bring project proposals involving the substitution of funds before Metro Board.

E. TIMELY USE OF FUNDS

1. PROPOSITION A AND PROPOSITION C FUNDS

Under the Proposition A and Proposition C Ordinances, Jurisdictions have three years to expend LR funds. Funds must be expended within three years of the last day of the fiscal year in which funds were originally allocated. Therefore, by method of calculation, each Jurisdiction has the Fiscal Year of allocation plus three years to expend Proposition A and/or Proposition C funds. For example, a Jurisdiction receiving funds during FY 2004-05 must expend those funds, and any interest or other income earned from Proposition A and Proposition C projects, by June 30, 2008.

Proposition A and Proposition C disbursements, interest income and other income earned from LR projects, such as fare revenues or revenues from advertising which are not expended within the allocated time will be returned to Metro for reallocation to Jurisdictions for discretionary programs of county-wide significance.

2. DETERMINING COMPLIANCE WITH TIMELY USE PROVISION

In applying the timely use provision, Metro will use a "First-In-First-Out" (FIFO) accounting principle, to afford Jurisdictions maximum time to expend funds. For example, City A had a fund balance of \$1,000,000 as of June 30, 2004. In order to avoid lapsing LR funds, City A must expend a total of \$1,000,000 or more from its LR funds during Fiscal Years 2004-05, 2005-06 and 2006-07. This calculation will be done individually for Proposition A and Proposition C funds.

3. EXTENSION OF TIMELY USE PROVISION

Metro will allow Jurisdictions to reserve funds for multi-year capital projects. A specific project must be identified under the Capital Reserve Process. See Capital Reserve Process, page 26.

F. RELATIONSHIP TO TDA ENTRY AND FORMULA DISTRIBUTION

Provision of transit services with LR funds will not qualify Jurisdictions for Transit Development Act (TDA) funding programs. In addition, mileage will not be counted in Metro's subsidy allocation formula for TDA operators.

G. NATIONAL TRANSIT DATABASE (NTD)

Locally funded transit systems are encouraged to report NTD data, either directly to the Federal Transit Administration (FTA), or through Metro's consolidated NTD report. Examples of locally funded transit systems include community based fixed route circulators, community shuttles, Metrolink feeder services and other rail station and neighborhood shuttles (Code 110). Also included are locally funded paratransit, dial-a-ride and demand response services, including taxi voucher and specialized transportation programs (Codes 120, 130).

Benefits of increased NTD reporting include additional Federal Section 5307 capital funds for the LA County region, and improved data collection for regional transportation planning purposes. At this time, NTD reporting is voluntary for locally funded operators. The Proposition A Incentive Guidelines, as adopted by Metro Board, provide a mechanism to reimburse voluntary reporters dollar-for-dollar for additional funds generated to the LA County region, subject to funds availability.

H. REPAYMENT OF FUNDS FOR FIXED ASSETS PURCHASES

If a facility ceases to be used for public transit use as originally stated in the project description, all Proposition A and Proposition C funds expended for the project must be returned to the Proposition A and Proposition C LR accounts.

General guidelines for repayment are as follows:

Land: Repayment of purchase price or appraised value, whichever is greater.

Facilities: 100% repayment of Proposition A and Proposition C LR funds if discontinuation of public transit use occurs between 0-5 years.

75% if discontinuation occurs in more than 5 years but less than 10 years.

50% if discontinuation occurs in more than 10 years but less than 15 years.

25% if discontinuation occurs in more than 15 years.

Repayment must be made no later than five years after the decision is made to cease utilizing the project as a public transit facility. Payback may be made in one lump sum or on an annual equal payment schedule over a five-year period.

Vehicles: Jurisdictions that cease to utilize vehicles for "public transit" purposes before their useful life, will be required to repay the funds into their Proposition A and Proposition C LR accounts in proportion to the useful life remaining. Federal standards for useful life will apply.

Repayment will be made in the same fiscal year as the vehicles ceased to be used for "public transit" purposes.

**V. AUDIT SECTION**

A financial and compliance audit will be conducted annually as part of Metro’s Consolidated Audit Program to verify adherence to the Proposition A and Proposition C guidelines. Audits will be performed in accordance with auditing standards generally accepted in the United States of America and the Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that the audit is planned and performed to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The audit shall include examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. The audit shall also include review of internal control procedures, assessing the accounting principles used, as well as evaluation of the overall basic financial presentation.

It is the jurisdictions’ responsibility to maintain proper accounting records and documentation to facilitate the performance of the audit prescribed in these guidelines. Jurisdictions are required to retain Local Return records for at least three years following the year of allocation and be able to provide trial balances, financial statements, worksheets and other documentation required by the auditor. Jurisdictions are advised that they can be held accountable for excess audit costs arising from poor cooperation and inaccurate accounting records that would cause delays in the completion of the required audits.

**A. FINANCIAL AND COMPLIANCE PROVISIONS**

The Proposition A and Proposition C Local Return Audits shall include, but not limited to, verification of adherence to the following financial and compliance provisions of this guidelines:

Audit Area	Penalty for Non-Compliance
Verification that jurisdictions which do not use the State Controller’s Uniform System of Accounts and Records has established a Separate Proposition A and Proposition C Local Transit Assistance Account for local return purposes.	Suspension of disbursements.
Verification of revenues received including allocations, project generated revenues, interest income.	Audit exception.
Verification that funds were expended with Metro’s approval and have not been substituted for property tax.	Jurisdiction will be required to reimburse its Local Return account for the amount expended prior to or without approval.
Verification that the funds are expended within three years from the last day of the fiscal year in which funds were originally allocated or received. (see “E” page 30).	Lapsed funds will be returned to Metro for reallocation to jurisdictions for discretionary programs of countywide significance.

<p>Verification that <u>administrative expenditures</u> (project code 480) did not exceed over 20% of the total annual LR expenditures.</p> <p>Verification that projects with greater than 25% change from the approved project budget has been amended by submitting amended Project Description Form (Form A).</p> <p>Verification that the Annual Project Update (Form B) was submitted on or before August 1<sup>st</sup> following the end of fiscal year.</p> <p>Verification that the Annual Expenditure Report (Form C) was submitted on or before October 15<sup>th</sup> following the end of fiscal year.</p> <p>Where expenditures include Street Maintenance or Improvement projects (project codes 430, 440 or 450), verification that Pavement Management System (PMS) is in place and being used.</p> <p>Where funds expended are reimbursable by other grants or fund sources, verification that the reimbursement is credited to the Local Return account upon receipt of reimbursement.</p> <p>Where Proposition A funds were given, loaned or exchanged by one jurisdiction to another, verification that the receiving jurisdiction has credited its Local Return Accounts with the funds received.</p> <p>Where funds expended were for Intelligent Transportation Systems (ITS) projects or projects with ITS elements, verification that a Self Certification has been completed and submitted to Metro.</p> <p>Verification that jurisdictions have a LR Assurances and Understandings form on file.</p>	<p>Jurisdictions will be required to reimburse their Local Return account for the amount over the 20% cap.</p> <p>Audit exception.</p> <p>Audit exception.</p> <p>Audit Exception.</p> <p>Any Local Returned funds spent must be returned to the Local Return Funds.</p> <p>Audit exception and reimbursement received must be returned to the Local Return Funds.</p> <p>Audit exception and reimbursement of affected funds to the Proposition A LR account.</p> <p>Audit exception.</p> <p>Audit exception.</p>
--	--



<p>Where a capital reserve has been established, verification that a Capital Reserve Agreement is in effect, a separate account for the capital reserve is established, and current status is reported in the Annual Project Update (Form B).</p>	<p>Audit exception.</p>
---	-------------------------

**B. AUDIT DELIVERABLES**

The auditor shall submit to the Jurisdictions and to Metro a Comprehensive Annual Report of Proposition A and Proposition C Local Return Funds no later than March 31<sup>st</sup> following the end of fiscal year. The report must contain at the minimum, the following:

- Audited Financial Statements – Balance Sheet, Statement of Revenues and Expenditures and Changes in Fund Balances.
- Compliance Report, Summary of Exceptions, if any, and ensuing recommendations.
- Supplemental Schedules – Capital Reserves, if any; Schedule of Detailed Project Expenditures; and Capital Assets.

**C. SUSPENSION OR REVOCATION**

Jurisdictions are expected to take corrective action in response to the Local Return financial and compliance audit. Notwithstanding the provisions of these guidelines, Metro reserves the right to suspend or revoke allocation to jurisdictions that may be found to be in gross violation of these guidelines, or repeatedly committing violations, or refusing to take corrective measures.

**PROPOSITION A AND PROPOSITION C LOCAL RETURN PROGRAM  
SUMMARY OF PROPOSITION A AND PROPOSITION C USES**

<b>PROJECT TYPE</b>	<b>PROPOSITION A</b>	<b>PROPOSITION C</b>
Streets and Roads Expenditures	<ul style="list-style-type: none"> <li>Allowed exclusively for Bus Lanes and Curb Cuts at corners located or adjacent to Bus Stops</li> </ul>	<ul style="list-style-type: none"> <li>Allowed only on streets that carry regularly scheduled, Fixed-Route Public Transit Services and on streets that carry public Paratransit trips (see conditions outlined in eligibility section of the Guidelines)</li> </ul>
Signal Synchronization	<ul style="list-style-type: none"> <li>Allowed if performed to predominantly benefit Transit.</li> <li>Bus Priority must be included as part of the project.</li> <li>The street must have a minimum of five (5) full-sized transit buses in each direction per hour</li> </ul>	<ul style="list-style-type: none"> <li>Allowed on streets that are heavily-used by Public Transit</li> <li>The street must have full-sized transit buses operating on a regularly scheduled fixed-route (no minimum number of buses)</li> <li>Operating costs such as software and hardware maintenance are allowed</li> </ul>
Bikeways and Bike Lanes	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>	<ul style="list-style-type: none"> <li>Commuter bikeways</li> <li>Shall be linked to employment sites.</li> </ul>
Congestion Management Activities	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>	<p>Most elements allowed, such as:</p> <ul style="list-style-type: none"> <li>Preparation of TDM Ordinances and Deficiency Plans.</li> <li>Land Use Analysis required by CMP</li> <li>Monitoring of Transit Standards by transit operators</li> </ul>
Pavement Management System	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>	<p>Some elements allowed, such as:</p> <ul style="list-style-type: none"> <li>One-time development costs of a Pavement Management System.</li> <li>The ongoing costs of maintaining the Pavement Management System (see Guidelines for conditions)</li> </ul>
Trading or Exchanging of Funds	<ul style="list-style-type: none"> <li>Allowed if the traded funds are used for Public Transit purposes</li> </ul>	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>

**ASSURANCES AND UNDERSTANDINGS REGARDING  
RECEIPT AND USE OF PROPOSITION A and PROPOSITION C FUNDS**

The undersigned, in conjunction with the receipt of funds derived from the one-half cent sales tax imposed by Ordinance No. 16 (Proposition A) and the one-half cent sales tax imposed by the Proposition C Ordinance of the Los Angeles County Metropolitan Transportation Authority (Metro), and as required by Metro's Local Return Program Guidelines, hereby provides the following assurances and understandings.

A. The undersigned hereby assures Metro:

1. That the Proposition A and Proposition C funds will not be substituted for property tax funds which are currently funding existing public transportation programs;
2. That Proposition A and Proposition C funds will be used for public transit purposes as defined in Metro's Local Return Program Guidelines;
3. That the undersigned will submit to Metro a description of the use of funds:
  - a. For service expansion or new service: at least 60 days before encumbrance of funds;
  - b. For other projects: at least 30 days before encumbrance of funds;
  - c. Annually, by August 1<sup>st</sup> of each year, an update of previously approved projects;
  - d. Annually, by October 15<sup>th</sup> of each year, an update of the prior year's expenditures;
4. Any proposed use of funds will not duplicate or compete with any existing publicly-funded transit or paratransit service;
5. That Proposition A and Proposition C funds will be expended by the date that is three years from the last day of the fiscal year in which funds were originally allocated;
6. Unless otherwise required by Metro, an audit certified by a Certified Public Accountant, will be conducted by Metro within 180 days of the close of the fiscal year;
7. That the description of the intended use of the funds, as submitted to Metro, is an accurate depiction of the project to be implemented;
8. That a 25 percent change in project scope or financing for those projects defined in the Guidelines will be submitted to Metro at least 60 days before that change in scope is implemented;
9. That all projects proposed for Proposition A and Proposition C funding will meet the legal requirements of the Proposition A and Proposition C Ordinances and Metro's Local Return Program Guidelines criteria.

B. The undersigned further understands and agrees:

1. That Metro will require the undersigned to return any Proposition A and Proposition C funds and may impose interest penalties on any expenditure found to be illegal or improper under the terms of the Proposition A and Proposition C Ordinance or the Metro's Local Return Program Guidelines;
2. That the undersigned will, for projects to be funded in part or in whole with Proposition A and/or Proposition C funds, comply with all applicable federal, state, and local laws and regulations, including without limitation: American With Disabilities Act (ADA), CEQA and NEPA, affirmative action, transit accessibility and public health and safety requirements and fair labor practices;
3. That the undersigned will either utilize the State Controller's Uniform System of Accounts and Records to accommodate uses and disbursements of Proposition A and Proposition C funds or will establish a separate Proposition A and Proposition C Local Transit Assistance accounting system which will allow financial and compliance audits of Proposition A and Proposition C funds transactions and expenditures to be conducted;
4. That any Proposition A and Proposition C funds not expended within the year of receipt of funds plus three years thereafter will be returned to Metro upon request therefrom.

**IN WITNESS WHEREOF** the undersigned has executed this "Assurances and Understandings Regarding Receipt and Use of Proposition A and Proposition C Funds" this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by its duly authorized officer:

CITY OF \_\_\_\_\_

BY \_\_\_\_\_

\_\_\_\_\_  
(Title)

DATE \_\_\_\_\_

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY (METRO)  
PAVEMENT MANAGEMENT SYSTEM CERTIFICATION  
PROPOSITION C

The City of \_\_\_\_\_ certifies that it has a Pavement Management System (PMS) in conformance with the criteria stipulated by the Proposition C Local Return Guidelines (identical to the criteria adopted by the Joint City/County/State Cooperation Committee, pursuant to Section 2108.1 of the Streets and Highways Code).

The system was developed by \_\_\_\_\_ and contains, as a minimum, the following elements:

- \* Inventory of arterial and collector routes (including all routes eligible for Proposition C funds), reviewed and updated triennially. The last inventory update was completed \_\_\_\_\_, 20\_\_.
- \* Inventory of existing Class I bikeways, reviewed and updated triennially.
- \* Assessment (evaluation) of pavement condition for all routes in the system, updated triennially. The last review of pavement conditions was completed \_\_\_\_\_, 20\_\_.
- \* Identification of all sections of pavement needing rehabilitation or replacement.
- \* Determination of budget needs for rehabilitation or replacement of deficient sections of pavement for current triennial period, and for following triennial period.

If PMS was developed in-house, briefly describe it on an attached sheet.

FROM:

AGENCY \_\_\_\_\_ DATE \_\_\_\_\_

\_\_\_\_\_  
(Please Print Name)

\_\_\_\_\_  
(Please Print Name)

\_\_\_\_\_  
(Title)

CAPITAL RESERVE AGREEMENT

This Capital Reserve Agreement (this “Agreement”) is entered into as of \_\_\_\_\_, by and between the Los Angeles County Metropolitan Transportation Authority (“Metro”) and the City of \_\_\_\_\_ (the “City”).

RECITALS:

A. The City receives Proposition [A] [C] local return funds (the “Local Return Funds”) from Metro.

B. Pursuant to the Proposition A and Proposition C Local Return Guidelines, which are incorporated herein by reference, the City has three years, beginning the last day of the Fiscal Year in which funds were originally allocated, to expend the Local Return Funds. By method of calculation, each jurisdiction has three years plus the Fiscal Year of allocation to expend the Local Return funds. This is period is identified in the Guidelines as Timely Use of Funds.

C. As of Fiscal Year \_\_\_\_\_, the City desires to commit and accumulate its Local Return Funds beyond the Timely Use of Funds period in order to construct and/or purchase \_\_\_\_\_ as more particularly described in City’s project description attached hereto as Exhibit A (the “Project”).

D. The Metro Board at its \_\_\_\_\_ board meeting approved the City’s establishment of a capital reserve fund for the Project.

NOW, THEREFORE, the parties hereby desire to agree to the following terms and conditions:

AGREEMENT

1. The City acknowledges that establishing a capital reserve fund for the Project constitutes a long term financial and planning commitment.
2. The City shall establish a separate interest bearing account or sub-account to be designated as the Capital Reserve Account. Commencing with Fiscal Year \_\_\_\_\_, the City shall deposit \$\_\_\_\_\_ of its Local Return Funds into the Capital Reserve Account. For future Fiscal Years, the City shall deposit the amount specified in its Project Annual Update submitted to Metro for that fiscal year, provided, however, if the City fails to submit its Project Annual Update, the City shall deposit its Local Return Funds in an amount equal to the amount deposited into the Capital Reserve Account for the immediately preceding fiscal year.

3. All interest accruing on the Capital Reserve Account shall remain in such account.
4. The City shall complete the Project by \_\_\_\_\_.
5. The City shall comply with all terms and conditions for the Capital Reserve Account as provided in the Proposition A and Proposition C Local Return Guidelines, including, without limitation, the following:
  - A. Each fiscal year, submitting the following items:
    - (i) an updated Project Description Form (Form A); and
    - (ii) an Annual Project Update (Form B), including the amount to be reserved and the current project status;
  - B. Every three years commencing with the Commencement Date of this Agreement, Metro will evaluate the Capital Reserve Account, the status of the Project and the projected amount of available funds. Based on this evaluation, Metro may require the City to take certain actions including, without limitation, terminating the Capital Reserve Account.
  - C. If the City uses the Local Return Funds in the Capital Reserve Account for a project different from the Project described above, the City shall return an amount equal to the improperly used funds to the Proposition A or Proposition C Central Account held by Metro. If the City fails to return the amount within 30 days from the date Metro notifies City that it must return the funds, the City hereby authorizes Metro to offset future Local Return allocations to the City in an amount equal to the improperly used funds.
  - D. If the City fails to complete the Project as specified by the date in paragraph 4 above, the Local Return Funds in the Capital Reserve Account may be subject to lapse unless otherwise agreed to in writing by the parties.
  - E. If the Project is a rail project, Metro may decide that the rail corridor is no longer a high priority. Metro can then terminate this Agreement and the City shall:
    - (i) close the Capital Reserve Account and return the outstanding balance of the Capital Reserve Account, including accrued interest (the "Returned Funds"), to the City's local return account; and
    - (ii) reprogram the Returned Funds to be used within three years from the termination date of this Agreement. Any funds remaining after such three-year period shall lapse.
  - F. If the City, independent of Metro action, desires to reprogram all or part of the funds in the Capital Reserve Account, the City must prior to such reprogramming, receive Metro's written approval. The City shall provide Metro with notice of its desire to reprogram the funds in the Capital Reserve Account and indicate the proposed use

of the funds to be reprogrammed and the effect of such reprogramming on the Project. Metro approval may be based on, among other things, whether after exhausting all Local Return funds, additional funds are necessary to meet the City's critical immediate or pending transit needs. If Metro approves reprogramming the funds, this Agreement shall be amended or terminated as appropriate. If Metro does not approve reprogramming the funds, the City must continue the Capital Reserve Account as provided herein or draw the funds down for Metro approved capital related project.

6. This Agreement shall commence on \_\_\_\_\_. This Agreement shall continue until such time as terminated by either party with a 30 day written notice under the conditions set forth in the Proposition A and Proposition C Local Return Guidelines.

IN WITNESS WHEREOF, the parties have executed this Capital Reserve Agreement by their duly authorized representatives as of the date above.

City of \_\_\_\_\_

Los Angeles County Metropolitan  
Transportation Authority

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Approved as to form:

Approved as to form:

\_\_\_\_\_  
Name: \_\_\_\_\_

Raymond G. Fortner, Jr.  
County Counsel

Its: \_\_\_\_\_

By: \_\_\_\_\_  
Deputy



**SAMPLE FUND EXCHANGE AGREEMENT****(PROPOSITION A LOCAL RETURN ONLY)**

This Fund Exchange Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the City of Surf City, California and the City of Mountain Valley, California with respect to the following facts:

- A. The City of Mountain Valley proposes to provide Dial-A-Ride services to its elderly and individuals with disabilities. Approximately 20% of the City population is unable to use the available fixed route service due to frailty or handicap. No door-to-door public transit services are available in the City of Mountain Valley. Adequate Proposition A Local Return funding for such a service is not available given the limited amount of the City of Mountain Valley's Local Return allocation and the needs of other priority transit projects in the City.
- B. City of Surf City, has uncommitted funding authority for its Fiscal Year 2000-01 allocation of Proposition A Local Return funds which could be made available to the City of Mountain Valley to assist in providing the services discussed in Paragraph A of this Agreement.
- C. City of Mountain Valley is willing to exchange its general funds in the amount indicated in Section 1 below in exchange for City of Surf City's uncommitted Proposition A Local Return funds.
- D. City of Surf City is willing to exchange its uncommitted Proposition A Local Return funding in the amount indicated in Section 1 below to City of Mountain Valley, for the purpose identified in Paragraph A above, for City of Mountain Valley's general funds.

Now, therefore, in consideration of the mutual benefits to be derived by the parties and of the premises herein contained, it is mutually agreed as follows:

1. Exchange. City of Surf City shall transfer \$100,000 of its Fiscal Year 20\_\_-20\_\_ Proposition A Local Return Funds to City of Mountain Valley. In return, City of Mountain Valley shall transfer \$50,000 of its General Funds to City of Surf City.
2. Consideration. City of Surf City shall transfer the Proposition A Local Return funds to City of Mountain Valley in twelve equal installments due the first day of each month (or in one lump sum payment). City of Mountain Valley shall transfer its general funds to City of Surf City in twelve equal installments due the first of each month (or in one lump sum payment).

The first installment shall be due and payable upon approval by the Los Angeles County Metropolitan Transportation Authority ("Metro") of City of Mountain Valley's project description Form (Form A) covering the services discussed in Paragraph A above.

3. Term. This Agreement is effective on the date above written and for such time as is necessary for both parties to complete their mutual obligations under this Agreement.

4. Termination. Termination of this Agreement may be made by either party before the date of approval of the project description covering the funds in question by the Metro so long as written notice of intent to terminate is given to the other party at least five (5) days prior to the termination date.

5. Notices. Notices shall be given pursuant to this agreement by personal service on the party to be notified, or by written notice upon such party deposited in the custody of the United States Postal Service addressed as follows:

- a. City Manager  
City of Surf City  
101 Main Street  
Surf City, CA 90000
- b. City Manager  
City of Mountain Valley  
401 Valley Boulevard  
Mountain Valley, CA 90000

6. Assurances

A. City of Mountain Valley shall use the assigned Proposition A Local Return funds only for the purpose of providing the services discussed in Paragraph A of this Agreement and within the time limits specified in Metro's Proposition A Local Return Program Guidelines.

B. Concurrently with the execution of this Agreement City of Mountain Valley shall provide Metro with the Standard Assurances and Understandings Regarding Receipt and Use of Proposition A Funds specified in the Guidelines regarding the use of the assigned Proposition A Local Return funds.

7. This Agreement constitutes the entire understanding between the parties, with respect to the subject matter herein. This Agreement shall not be amended nor any provisions or breach hereof waived, except in writing signed by the parties hereto.

**IN WITNESS WHEREOF**, the parties hereto have caused this Fund Exchange Agreement to be executed by their respective officers, duly authorized, on the day and year above written.

CITY OF \_\_\_\_\_

CITY OF \_\_\_\_\_

BY \_\_\_\_\_

BY \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk  
Approved as to Form:

\_\_\_\_\_  
City Clerk  
Approved as to Form:

LOS ANGELES COUNTYWIDE  
INTELLIGENT TRANSPORTATION SYSTEMS (ITS)

POLICIES AND PROCEDURES

**Policy Summary**

Federal regulations (23 CFR Parts 655 and 940 Intelligent Transportation System (ITS) Architecture and Standards; Final Rule) now require ITS projects funded with the Highway Trust Fund to conform to the National ITS Architecture and Standards; be guided by a regional architecture with geographic boundaries defined by stakeholder needs; and use systems engineering analysis on a scale commensurate with the project scope. It is Metro's Policy to abide by the Federal ITS regulations and requirements for those agencies seeking federal funding programmed by Metro for projects subject to this rule. For consistency and to maximize benefits, Los Angeles Countywide ITS Policy and Procedures is also applied to projects with state and local funding sources programmed and administered by the Metro.

**Procedures Summary**

To ensure compliance with the ITS Policy, all ITS project sponsor agencies including Metro internal departments are required to complete the Los Angeles County Regional ITS Architecture Consistency Certification Form (Attachment B) and to self certify that their project's ITS elements in whole or in part are consistent with the Los Angeles County Regional ITS Architecture.

Attached is the RIITS self-certification form. This form must be completed and submitted to Metro for each Local Return funded ITS project or project which includes an ITS element. To learn more about RIITS, please visit [www.riits.net](http://www.riits.net). For a complete copy of the Los Angeles Countywide ITS Policy and Procedures, you may go directly to <http://RIITS.net/RegITSDocs.html> and choose "Los Angeles Countywide ITS Policy and Procedures Document."

**LOS ANGELES COUNTY REGIONAL ITS ARCHITECTURE CONSISTENCY**

**SELF-CERTIFICATION FORM**

This form should be completed and executed for all ITS projects or projects with ITS elements except routine maintenance and operations, traffic signal controller replacement, purchase of bus or rolling stock, expansion or enhancement of an existing operating system. The form should be sent to Metro Countywide Planning and Development (CP&D) for any planned ITS projects or proposed funding involving Local, State or Federal funds programmed or administered through the Metro at the time of submittal of project application.

1. Name of Sponsoring Agency:\_\_\_\_\_

2. Contact Name:\_\_\_\_\_

3. Contact Phone:\_\_\_\_\_

4. Contact Email:\_\_\_\_\_

5. Project Description:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Identify the ITS elements being implemented and the relevant National Architecture User Services(s), see Attachment A.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Outline of the concept of operations for the project:

---

---

---

---

8. Identify participating agencies roles and responsibilities:

---

---

---

---

---

By signing and self-certifying this form, the agency commits itself to follow the ITS requirements listed below during project design and implementation. Please be advised that your project may be subject to further review and documentation by FHWA or FTA during project design and implementation phases:

- Perform a lifecycle analysis for the ITS project elements and incorporate these costs into the Operations and Maintenance plan as part of the system engineering process,
- Maintain and operate the system according to the recommendations of the Operations and Maintenance plan upon project completion,
- Use the systems engineering process and document the system engineering steps, and
- Use the Los Angeles County Regional ITS Architecture interface standards if required and conform to the regional configuration management process.

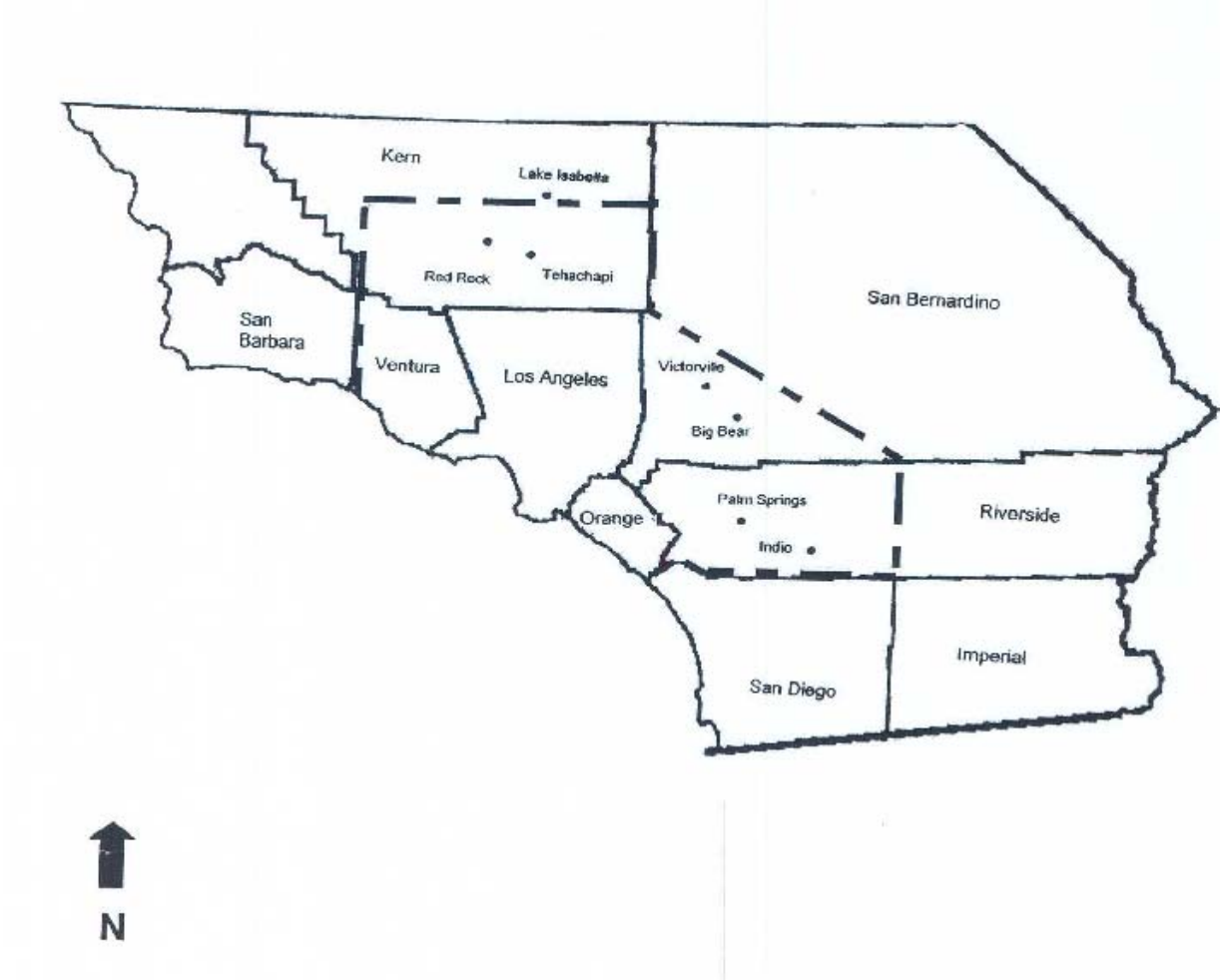
Signature:

\_\_\_\_\_  
Agency Representative

Date \_\_\_\_\_

**Please return the original Project Self Certification Form to Metro Department of CP&D, Attention, Ms. Carol Inge, Deputy Executive Officer, Los Angeles County Metropolitan Transportation Authority, One Gateway Plaza, MS 99-22-1, Los Angeles, CA 90012-2952**

ELIGIBLE RECREATION TRANSIT SERVICE AREA



--- Recreational transit area eligible for full Proposition A & C funding

□ Recreational transit area available for Proposition A & C funding on a proportional share basis

LOCAL RETURN FORMS

**Summary:**

**Project Code:** All projects must have Project Codes (see column on right). This code is critical in Form submittal as it is used in the LR database system.

**Sequence Number:** Sequence Numbers distinguish between the different projects being implemented. Indicate the sequence number of the project that is the order of submittal for the project (i.e., oldest approved to most recent approval).

Form A should be submitted whenever a Jurisdiction is requesting the approval of a new project or if there is a budget or scope change of more than 25 percent in an ongoing transit or paratransit project (as defined in the Proposition A and Proposition C Guidelines).

Form B requires Jurisdictions to give an update of already approved, ongoing and carryover Prop A and Prop C LR projects. Since new projects require additional information, please include all new projects on Form A only. (Note: Jurisdictions are required to call out all administration charges to Direct Administration in order to verify compliance of 20 percent maximum limit).

Form C requires Jurisdictions to report the annual expenditures for both Prop A and Prop C LR for the previous fiscal year. (Note: Jurisdictions are also required to submit an accounting of recreational transit trips, destinations and costs, if applicable).

**PROJECT CODES**

**PROP A AND PROP C LR JOINT CODES:**

- 110 Fixed Route Service
- 120 Paratransit Service - General Public Dial-a-Ride
- 130 Paratransit Service - Elderly & Disabled (E&D)
- 140 Recreational Transit Service (incl. special event)
- 150 Bus Stop Improvement (BSI) Program
- 160 Bus Stop Improvement - Capital
- 170 Bus Stop Improvement - Maintenance
- 180 Capital - Vehicle & Misc. Equipment (fare box)
- 190 Capital - Vehicle Modification Program
- 200 Capital - Vehicle Purchase Program
- 210 Transportation Systems Management (TSM)
- 220 Transit Security - On-Board & Bus Stop
- 230 Transit Security - Station/Park-and-Ride Lot
- 240 Fare Subsidy (Taxi)
- 250 Fare Subsidy (User-Side Subsidy)
- 270 Transportation Planning  
(Prop A eligible and Prop C eligible)
- 280 Transit Marketing
- 290 Park-and-Ride Lot Program
- 300 Transit Facility Transportation Enhancements
- 310 Transit Centers Program
- 320 Metro Rail Capital
- 350 Right-of-Way Improvements
- 360 Commuter Rail (Operations)
- 370 Commuter Rail (Capital)
- 380 Capital Reserve
- 390 Rail Transit Enhancements
- 480 Direct Administration
- 500 Other (Specify)

**Exclusive Uses of Prop A LR Funds:**

- 400 Signal Synchronization
- 405 Fund Exchange
- 410 Transportation Demand Management


**Exclusive Uses of Prop C LR Funds:**

- 400 Signal Synchronization & Traffic Management
- 410 Transportation Demand Management
- 420 Congestion Management Program (CMP)
- 430 Bikeways & Bike Lanes
- 440 Street Repair and Maintenance (e.g., slurry seal)
- 450 Street Improvement Projects (e.g., widenings)
- 460 Street TSM Projects (e.g., signalization)
- 470 Pavement Management Systems (PMS)

# Form A - Project Description Form

(This form may be submitted any time during the fiscal year)

--Instructions--

 <b>Metro</b>		LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY Proposition A and Proposition C Local Return Program		
<b>Form A</b> <b>PROJECT DESCRIPTION FORM</b> (Required for all new and amended projects)				
Local Jurisdiction		Fiscal Year		
<input type="text"/>		<input type="text"/>		
Contact Person	Telephone No.	Extension	E-Mail Address	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Project Title				
<input type="text"/>				
Project Code:	<input type="text"/>	Category:	<input type="text"/>	
Sequence Number:	<input type="text"/>	Type:	<input type="checkbox"/> Capital <input type="checkbox"/> New <input type="checkbox"/> Operating <input type="checkbox"/> Revised	
		Est Start Date:	<input type="text"/>	
		Est Compl Date:	<input type="text"/>	
Project Description and Justification				
<input type="text"/>				
Project Revenues				
Fund Source(s)	Proposition A Amount	Proposition C Amount	Other Amount	Total
Local Return	<input type="text"/>	<input type="text"/>	<input type="text"/>	-
Fare Revenues	<input type="text"/>	<input type="text"/>	<input type="text"/>	-
Other (Specify)	<input type="text"/>	<input type="text"/>	<input type="text"/>	-
Total Project Revenues	-	-	-	-
Accessibility Features (For Bus Stop Improvement Projects only)				
<input type="checkbox"/> Curb Cut <input type="checkbox"/> Bus Pad <input type="checkbox"/> Installation Sidewalk <input type="checkbox"/> Removal of sidewalk Barrier				
<input type="checkbox"/> For Bikeways and Pedestrian Improvements, Street Repair and Maintenance or Street Improvement projects (project codes 430, 440 or 450), please check to indicate a <b>Pavement Management System (PMS) Self Certification Form</b> (See Appendix III) has been submitted to Metro.				
<input type="checkbox"/> For Intelligent Transportation Systems (ITS) projects, or projects which include an ITS element, please check box to indicate a <b>Self Certification Form</b> (See Appendix VI) has been completed and submitted to Metro.				
<input type="text"/>		<input type="text"/>		
Authorized Signature		Title	Date	

Click [here](#) to access form.



# Form A - Project Description Form

(This form may be submitted any time during the fiscal year)

--Instructions--

---

## Summary:

Form A should be submitted whenever a Jurisdiction is requesting the approval of a new project or if there is a budget or scope change of more than 25 percent in an ongoing transit or paratransit project (as defined in the Prop A and Prop C Guidelines).

## Key Terms:

- **Local Jurisdiction:** Indicate your City or Agency.
- **Fiscal Year:** Indicate the fiscal year (July 1 - June 30<sup>th</sup>) for which Prop A or Prop C LR funds will be used.
- **Project Description and Justification:** Provide a brief project description (include any necessary details) to help Metro staff determine project scope and eligibility.
- **Project Revenues:** Under the appropriate fund sources, indicate the revenues expected to fund the project.
- **Accessibility Features:** Check box applicable for Bus Stop Improvement Projects only.
- **Street Maintenance, Improvement or bikeway projects:** Check the box to indicate that a Pavement Management System (PMS) is in place and being used (see Appendix III).
- **Intelligent Transportation Systems projects:** Please check the box if this project is or has an ITS project element to indicate that an ITS self-certification (see Appendix VI) for has been submitted to Metro.
- **Authorized Signature:** Form A may be printed, signed and dated by authorized Local Jurisdiction, and sent to Metro by mail or fax, or e-mailed as described in Step 5.

## **Excel Operations:**

### Step 1 – Confirm computer is set to run macros

Open Microsoft Excel application

From the menu, select:

- Tools
- Macros
- Security
- Set it at Medium
- Press OK

Close Excel application

### Step 2 Open Form A

Visit Metro's Web Site at [www.metro.net](http://www.metro.net)

- Go to Projects/Programs
- Click on Local Return
- Click on Form A to open

Click yes to open the document containing Macros

### Step 3 – Enter Form A Information

Once Form A is opened,

- Select correct agency (click on small arrow to scroll agency names)
- Enter contact name, telephone number, and e-mail address
- Enter project information on Form A

### Step 4 – Save document under MY DOCUMENTS

Once information is entered on Form A, save document in My Documents

- Save Document as Form A City of .....

### Step 5 – Forward Form A to Metro

Open Outlook (or other e-mail browser)

On e-mail include:

- Contact information including name, title, telephone number, and jurisdiction
- Brief description of the e-mail (transmittal)
- Attach Form A to the e-mail message

## Important Changes


---

- All forms require that the entire value of project be entered, no longer will values be stated in \$ thousands.
- DO NOT alter forms. If for any reason there is a difference in Project Code, Sequence Number, or Project Title, contact Metro to resolve any discrepancies.
- Enter value for every project. If project is finalized, enter COMPLETE. DO NOT enter a dollar value.

# Form B – Annual Project Update Form

(This form must be submitted by August 1<sup>st</sup> of each year)

--Instructions--

 <b>Metro</b>		LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY Proposition A and Proposition C Local Return Program						
		<b>Form B</b> <b>ANNUAL PROJECT UPDATE FORM</b> (Must be submitted by August 1st of each year)						
<input type="button" value="Print Preview"/>		Local Jurisdiction			Fiscal Year			
		Contact Person			Telephone No.	E-Mail Address		
Project Code	Sequence Number	Project Title	Project Status <sup>1</sup>	Funding sources				Total Project Budget
				Proposition A Local Return	Proposition C Local Return	Est. Project Revenue	Funding Sources	
								-
								-
								-
								-
								-
								-
								-
								-
								-
*Project Status: OG=On going operating projects; CO=Carryover capital projects.			Total	-	-	-	-	-

Click [here](#) to access form.

# Form B – Annual Project Update Form

(This form must be submitted by August 1<sup>st</sup> of each year)

--Instructions--

---

## **Summary:**

Form B requires Jurisdictions to give an update of already approved, ongoing and carryover Prop A and Prop C LR projects. Since new projects require additional information, please include all new projects on Form A only. (Note: Jurisdictions are required to call out all administration charges to Direct Administration in order to verify compliance of 20 percent maximum limit).

## **Key Terms:**

- **Local Jurisdiction:** Indicate your City or Agency.
- **Fiscal Year:** Indicate the fiscal year (July 1 - June 30<sup>th</sup>) for which Prop A or Prop C LR funds will be used.
- **Project Code:** Enter Project Codes (see column on right). This code is critical in Form submittal as it is used in the LR database system.
- **Sequence Number:** Sequence Numbers distinguish between the different projects being implemented. Indicate the sequence number of the project which is the order of submittal for the project (i.e., oldest approved to most recent approval).
- **Project Title:** Provide Project Title as indicated on the Form A or previous Form B submittal.
- **Project Status:** Check box applicable – Completed, On-going or Carryover.
- **Project Revenues:** Under the appropriate fund sources, indicate the itemized revenues expected to fund the project.
- **Authorized Signature:** Form B may be printed, signed and dated by authorized Local Jurisdiction, and sent to Metro by mail or fax, or e-mailed as described in Step 5.

## **Excel Operations:**

### **Step 1 – Confirm computer is set to run macros**

Open Microsoft Excel application

From the menu, select:

- Tools
- Macros
- Security
- Set it at Medium
- Press OK

Close Excel application

### **Step 2 Open Form B**

Visit Metro's Web Site at [www.metro.net](http://www.metro.net)

- Go to Projects/Programs
- Click on Local Return
- Click on Form B to open

Click yes to open the document containing Macros

### **Step 3 – Enter Form B Information**

Once Form B is opened,

- Select correct agency (click on small arrow to scroll agency names)
- Enter contact name, telephone number, and e-mail address
- Enter appropriate values for each project

### **Step 4 – Save document under MY DOCUMENTS**

Once the values of each project have been entered, save document into My Documents

- Save Document as Form B City of .....

### **Step 5 – Forward Form B to Metro**

Open Outlook (or other e-mail browser)

On e-mail include:

- Contact information including name, title, telephone number, and Jurisdiction
- Brief description of the e-mail (transmittal)
- Attach Form B to the e-mail message

## **Important Changes**

---

- All forms require that the entire value of project be entered, no longer will values be stated in \$ thousands.
- DO NOT alter forms. If for any reason there is a difference in Project Code, Sequence Number, or Project Title, contact Metro to resolve any discrepancies.
- DO NOT add or remove project on Form B, please contact Metro regarding any changes.
- Enter value for every project. If project is finalized, enter COMPLETE. DO NOT enter a dollar value.



# Form C – Annual Expenditure Report Form

(This form must be submitted by October 15<sup>th</sup> of each year)

--Instructions--

---

## **Summary:**

Form C requires Jurisdictions to report the annual expenditures for both Prop A and Prop C LR for the previous fiscal year. (Note: Jurisdictions are also required to submit an accounting of recreational transit trips, destinations and costs, if applicable).

## **Key Terms:**

- **Local Jurisdiction:** Indicate your City or Agency.
- **Fiscal Year:** Indicate the fiscal year (July 1 - June 30<sup>th</sup>) for which Prop A or Prop C LR funds will be used.
- **Project Title:** Provide Project Title as indicated on the Form A or previous Form B submittal.
- **Project Status:** Check box applicable – Completed, On-going or Carryover.
- **Project Revenues:** Under the appropriate fund sources, indicate the itemized revenues expected to fund the project.
- **Authorized Signature:** Form C may be printed, signed and dated by authorized Local Jurisdiction, and sent to Metro by mail or fax, or e-mailed as described in Step 5.

## **Excel Operations:**

### **Step 1 – Confirm computer is set to run macros**

Open Microsoft Excel application

From the menu, select:

- Tools
- Macros
- Security
- Set it at Medium
- Press OK

Close Excel application

### **Step 2 Open Form C**

Visit Metro's Web Site at [www.metro.net](http://www.metro.net)

- Go to Projects/Programs
- Click on Local Return
- Click on Form C to open

Click yes to open the document containing Macros

### **Step 3 – Enter Form C Information**

Once Form C is opened,

- Select correct agency (click on small arrow to scroll agency names)
- Enter contact name, telephone number, and e-mail address
- Enter appropriate values for each project

### **Step 4 – Save document under MY DOCUMENTS**

Once the values of each project have been entered, save document into My Documents

- Save Document as Form C City of .....

### **Step 5 – Forward Form C to Metro**

Open Outlook (or other e-mail server)

On e-mail include:

- Contact information such as name, title, telephone number, and Jurisdiction
- Brief description of the e-mail (transmittal)
- Attach Form C on the e-mail message

---

## **Important Change Important Changes**

- All forms require that the entire value of project be entered, no longer will values be stated in \$ thousands.
- Enter value for every project. If project is finalized, enter COMPLETE. DO NOT enter a dollar value

**GLOSSARY OF TERMS  
USED IN LOCAL RETURN GUIDELINES**

**Americans with Disabilities Act (ADA), 1990**

A civil rights law passed by Congress in 1990 that makes it illegal to discriminate against people with disabilities in employment, services provided by state and local governments, public and private transportation, public accommodations and telecommunications.

**Advanced Traveler Information Systems (ATIS)**

ATIS technologies provide travelers and transportation professionals with the information they need to make decisions, from daily individual travel decisions to larger scale decisions that affect the entire system, such as those concerning incident management.

**Air Quality Management District (AQMD)**

Administrative districts organized in California to control air pollution. Generally, AQMDs and their national parallel encompass multiple jurisdictions and closely follow the definition of Consolidated Metropolitan Statistical Areas and Metropolitan Statistical Areas.

**Adaptive Traffic Control Systems (ATCS)**

ATCS uses sensors to interpret characteristics of traffic approaching a traffic signal, and using mathematical and predictive algorithms, adapts the signal timing accordingly, optimizing its performance.

**Advanced Traffic Management Systems (ATMS)**

ATMS technologies apply surveillance and control strategies to improve traffic flow on highways and arterials.

**Automatic Vehicle Location (AVL)**

The installation of devices on a fleet of vehicles (e.g., buses, trucks, or taxis) to enable the fleet manager to determine the level of congestion in the road network. AVL is also used to enable the fleet to function more efficiently by pinpointing the location of vehicles in real time.

**Bicyclists Rights**

According to CVC21200 Bicyclists have all the rights and responsibilities of vehicle drivers.

**Bikeway Definitions**

*Class I Bikeway* - Off road paved bike path

Exclusive bi-directional path designated for bicycles or as multi-use path shared with pedestrians (if pedestrian path is not adjacent).

*Class II Bikeway* - On-road striped bike lane

*Class III Bikeway* - On-road bike route (signage only)

Streets designated as preferred routes through high demand corridors, used to provide continuity to other bicycle facilities (usually II bikeways), or provide routes to transit or other destinations where the streets are too narrow for bike lanes. Usually bike routes have some added preferential bike treatments that offers advantages over alternative routes.

---

---

**Bus turn-out**

A branch from or widening of a road that permits buses to stop, without obstructing traffic, while laying over or while passengers board and alight. It is designed to allow easy reentry of the bus into the traffic stream.

**California Streets and Highways Code**

This is the legal code regulating the roads and highways of the State of California. The code sets forth the administration and funding of the highway system, the relationship of the state government to the county and local governments in regards to streets and roads, administration of tolls collected by the state, and various acts dealing with streets and highways passed by the state legislature.

**Capital Reserve**

With Metro Board approval and signed Capital Reserve Agreement, funds may be set aside for Capital projects to provide reserve funds for a period of time over the three year timely use provision.

**Carry-over Project**

A project that was not completed and which takes two or more year to finish. The construction of a transit center or a citywide bus shelter installation project may be multi-year projects.

**Congestion Management Program (CMP)**

A state mandated program linked to Proposition 111 (1990) that requires each county to prepare a plan to address traffic congestion on regional streets and freeways. Elements of the CMP include designation of a regional highway system with level of service (LOS) standards, a local trip reduction ordinance, capital improvement program, land use impact analysis, and transit performance standards. If LOS standards are not maintained, deficiency plans must be prepared and implemented.

**Changeable Message Signs (CMS)**

Electronic road and transit station signs used to display information that can be updated, such as warnings of road incidents, hazardous weather conditions, or estimated arrival times of transit vehicles. Used in ATIS and ATMS. Also called Variable Message Signs (VMS).

**Councils of Governments (COG)**

Regional planning bodies that exist throughout the United States. A typical council is defined to serve an area of several counties, and they address issues such as regional planning, water use, pollution control, and transportation. The Council membership is drawn from the county, city, and other government bodies within its area.

**Commuter Rail**

Railroad local and regional passenger train operations between a central city, its suburbs and/or another central city. It may be either locomotive-hauled or self-propelled, and is characterized by multi-trip tickets, specific station-to-station fares, railroad employment practices and usually only one or two stations in the central business district. Also known as "suburban rail."

**Curb Cut**

A small ramp between the sidewalk and curb that facilitates passage by wheelchairs, strollers, etc. between the sidewalk and street intersection.

**Commercial Vehicle Operations (CVO)**

ITS program to apply advanced technologies to commercial vehicle operations, including commercial vehicle electronic clearance; automated roadside safety inspection; electronic purchase of credentials;

---

---

automated mileage and fuel reporting and auditing; safety status monitoring; communication between drivers, dispatchers, and intermodal transportation providers; and immediate notification of incidents and descriptions of hazardous materials involved.

**Demand Responsive**

Non-fixed-route service utilizing vans or buses with passengers boarding and alighting at pre-arranged times at any location within the system's service area. Also called "Dial-a-Ride."

**Dial-a-Ride**

A shared-ride public transportation service for senior citizens age 65 and older, people with disabilities and people who meet American Disabilities Act (ADA) eligibility.

**Direct Administration**

Those fully burdened salaries and overhead, office supplies and equipment directly associated with administering LR operating and capital projects.

**Electronic Payment Systems**

Systems that collect payments using an electronic transponder. Payment types include fees for transit fares, taxis, parking, and tolls. Electronic payment systems can also gather real-time transit information on travel demand for better planning and scheduling of services.

**Farebox revenue**

Money, including fares and transfers, zone and park and ride receipts, paid by transit passengers; also known as "passenger revenue."

**Financial and Compliance Audit**

The review and examination of the jurisdictions' books and records to verify compliance with existing statutes governing the Local Return Funds. Such review and examination include verification of adherence to the generally accepted accounting principles, review of internal control system and evaluation of compliance with the Local Return Guidelines. The Financial and Compliance Audit shall be conducted by an independent auditor and in accordance with the Government Auditing Standards issued by the Comptroller General of the United States.

**Fiscal year**

A twelve-month period to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of its operations. This twelve-month period varies from the calendar year. In the California, State Government system, the fiscal year starts July 1 and ends the following June 30. In the Federal system, the fiscal year starts October 1 and ends the following September 30.

**Fixed Route**

Service provided on a repetitive, fixed-schedule basis along a specific route with vehicles stopping to pick up and deliver passengers to specific locations; each fixed-route trip serves the same origins and destinations, unlike demand responsive and taxicabs.

**Flexible Destination**

A type of demand-responsive service which takes on passengers according to a fixed route, and drops passengers off at alternative destinations within a defined service area.



---

---

**Formula Funds**

Funds distributed or apportioned to qualifying recipients using formulas which are based on statistics (such as operating performance or route characteristics) and established by law or by funding agency-adopted policies.

**Fund Exchange**

Funds traded to another Local Jurisdiction or Agency for an agreed amount. Funds returned may be from General, State, Federal funds or other agreed upon method of exchange between the agencies. Eligible under Proposition A only.

**Giving**

Local Jurisdictions can give Prop C funds to another Jurisdiction for a transit related project as long as Metro approves, and no exchange or gift of any kind is received in return.

**Headsign**

A destination sign above the front (and sometimes side) window of a bus or train.

**Information Exchange Network (IEN)**

The Los Angeles County IEN can exchange real-time TCS data from intersections in each of the county's several traffic forums and enables all forums, the county, and partner cities to access the information.

**Intelligent Transportation Systems (ITS)**

This program is an initiative of the United States Department of Transportation to add information technology to surface transportation infrastructure and vehicles. It aims to manage vehicles, roads, and routes to improve efficiency, safety and reduce vehicle wear, transportation times and fuel costs. ITS Architecture relates to the overarching framework that allows individual ITS services and technologies to work together, share information, and yield synergistic benefits.

**Loaning**

Local Jurisdictions may arrange a mutually acceptable temporary transfer or loan from one Jurisdiction to another. Refer to Metro's Administrative Process for additional information.

**Local Jurisdiction**

City or Agency that is the applicant for the project to be funded with Proposition A or Proposition C Local Return (LR).

**Maintenance**

Maintenance refers to minor work to prevent further deterioration, such as, slurry seal, or pothole repair

**Maintenance of Effort**

This requirement provides for the continuation of funding commitments by local jurisdictions on roadways used by public transit while supplementing these improvements with Proposition C Local Return funds. Local Return funds cannot be used to replace any pre-existing roadway funding but only to augment what is currently being utilized by local jurisdictions. In the past, local jurisdictions have had to report to the State Controller those funds spent on streets and roads in order to be in compliance with the California Streets and Highways Code.

---

---

**Metro**

The Metropolitan Transportation Authority. Metro staff manages the administration of the program. Metro refers to the administrative staff.

**Metro Art**

The Metro department responsible for incorporating art enhancements into Metro projects, including rail stations, bus stops, construction sites, streetscapes and other public oriented improvements..

**Metro Board**

The Metropolitan Transportation Authority has an established member list of Board of Directors and Executives as appointed by the Board. The Metro Board makes decisions on funding allocations, Guidelines, Capital Reserves and possible appeals.

**Metro Rail**

Rail service operated by the Los Angeles County Metropolitan Transportation Authority (Metro)

**Metro Long Range Transportation Plans**

In April 2001, the Metro Board adopted the Long Range Transportation Plan. This plan is a 25-year blueprint for transportation planning in Los Angeles County through the year 2025. The Long Range Transportation Plan assesses future population increases projected for the county and what such increases will mean for future mobility needs. The plan recommends what can be done within anticipated revenues, as well as what could be done if additional revenues become available.

**Metro Short Range Transportation Plans**

The 2003 Short Range Transportation Plan focuses on the phasing of transportation improvements through 2009 that will help put together the pieces of our mobility puzzle. The Plan relies on performance-based modeling to identify the best solution for each mobility challenge. In total, \$19.3 billion is needed to fund this Plan's transportation priorities through 2009. These include the costs of operating the current system and funding new transportation solutions.

**National ITS Architecture**

A systems framework to guide the planning and deployment of ITS infrastructure. The national ITS architecture is a blueprint for the coordinated development of ITS technologies in the U.S. The architecture defines the functions that must be performed, the subsystems that provide these functions, and the information that must be exchanged to support the defined **User Services**. The National ITS Architecture was released as a final document in June 1996.

**National Transit Database (NTD)**

A reporting system administered by the Federal Transit Administration (FTA) that uses uniform categories to record mass transportation financial and operating information through a uniform system of accounts on an annual basis.

**Paratransit**

Auxiliary public transportation available to elderly or disabled passengers or patrons in areas, which are underserved by conventional transit. Paratransit is generally operated using smaller vehicles, with flexible schedules and routes.

**Park-and-Ride**

An access mode to transit in which patrons drive private vehicles or ride bicycles to a transit station, bus or rail stop or carpool or vanpool waiting area and park their vehicles in the area provided for the

---

---

purpose. They then ride the transit system or take the carpool/vanpool to their destinations. (TRB) 2 involve the use of a motorized personal vehicle in conjunction with transit. Park-and-ride facilities include a parking lot or portion of a lot near transit stops, allowing transit users to park their personal vehicles for a short period of time and make convenient transfers to the transit system.

**Pavement Condition Index (PCI)**

A value for a pavement segment representing its condition. The Pavement Condition Index (PCI) is a numerical rating of the pavement condition that ranges from 0 to 100, with 0 being the worst possible condition and 100 being the best possible condition.

**Pavement Management System (PMS)**

A systematic process that provides, analyzes, and summarizes pavement information for use in selecting and implementing cost-effective pavement construction, rehabilitation, and maintenance programs and projects. A PMS involves the identification of optimum strategies at various Pavement Condition Index (PCI) levels and maintains pavements at an adequate PCI Threshold (level of serviceability). These include, but are not limited to, systematic procedures for scheduling maintenance and rehabilitation activities based on optimization of benefits and minimization of costs.

**Project Code**

Project Codes distinguish the type of projects being implemented.

**Reconstruction**

Activities that extend the serviceable life by at least 10 years, and involve reworking or removal and replacement of all or part of the engineered layers in the pavement structure. Removal and replacement of all asphalt and concrete layers and often the base and sub-base layers, in combination with remediation of the sub-grade and drainage, and possible geometric changes. Due to its high cost, reconstruction is rarely done solely on the basis of pavement condition. Other circumstances such as obsolete geometrics, capacity improvement needs, and/or alignment changes, are often involved in the decision to reconstruct a pavement.

**Recreational Transit**

City-sponsored trips to recreational or cultural destinations within defined geographic area. Charter buses are frequently used and trips must be advertised to the general public. Service is generally contracted out to a private sector operator.

**Rehabilitation**

Activities that extend the serviceable life by at least 10 years, and add structural capacity to the pavement.

**Reimbursement**

LR funds may be advanced for other grant funds as long as the project itself is eligible under LR Guidelines. The grant funds must be reimbursed to the LR fund.

**Resurfacing**

Activities that extend the serviceable life by at least 10 years and change the surface characteristics of the pavement. Resurfacing generally consists of placing additional asphalt concrete over a structurally sound highway or bridge that needs treatment to extend its useful life.

---

---

**Revenue Vehicle Miles**

The miles a vehicle travels while in revenue service. Vehicle revenue miles exclude travel to and from storage facilities, training operators prior to revenue service, road tests and deadhead travel, as well as school bus and charter services.

**Ride matching programs**

Programs that provide nearest major intersection-matching services to commuters who wish to establish a car- or van-pool.

**Right of Way**

Land; a public or private area that allows for passage of people or goods, including, but not limited to, freeways, streets, bicycle paths, alleys, trails and walkways. A public right-of-way is dedicated or deeded to the public entity for use under the control of a public agency.

**Regional Integration of Intelligent Transportation Systems (RIITS)**

This system supports information exchange between freeway, traffic, transit and emergency service agencies to improve management of the Los Angeles County transportation system.

**Ramp Metering Station (RMS)**

Traffic-responsive regulation of vehicle entry to a freeway, typically via sensor controlled freeway ramp stoplights.

**Sequence Code**

Sequence Codes distinguish between the different projects being implemented.

**Shuttle**

A public or private vehicle that travels back and forth over a particular route, especially a short route or one that provides connections between transportation systems, employment centers, etc.

**State Controller**

The Controller is the state's chief financial officer and is elected by a vote of the people every four years. The duties of the State Controller are prescribed by the Constitution with additional powers and functions set by statute. The primary function of the State Controller is to provide sound fiscal control over both receipt and disbursement of public funds, to report periodically on the financial operations of both state and local governments and to make certain that money due the state is collected in a fair, equitable and effective manner. The office also enforces collection of delinquent gas, truck and insurance taxes.

**Traffic Control Systems (TCS)**

Advanced systems that adjust the amount of "green time" for each street and coordinate operation between each signal to maximize traffic flow and minimize delay. Adjustments are based on real-time changes in demand.

**Traffic/Transportation/Transit Management Center (TMC)**

Traffic/Transportation/Transit Management Center (interchangeable)

**Transfer Center**

A fixed location where passengers interchange from one route or transit vehicle to another.

---

---

**Transit revenues**

Revenues generated from public transportation (bus, rail or other conveyance for public).

**Transportation Demand Management (TDM)**

A program designed to maximize the people-moving capability of the transportation system by increasing the number of people in each vehicle or by influencing the time of, or need to, travel. To accomplish these sorts of changes, TDM programs must rely on incentives or disincentives to make the shifts in behavior attractive. The term TDM encompasses both the alternatives to driving alone and the techniques or supporting strategies that encourage the use of these modes.

**Transportation Improvement Program (TIP)**

A prioritized program of transportation projects to be implemented in appropriate stages over several years (3 to 5 years). The projects are recommended from those in the transportation systems management element and the long-range element of the planning process. This program is required as a condition for a locality to receive federal transit and highway grants.

**Transportation Management Associations (TMAs)**

An urbanized area with a population more than 200,000 (as determined by the most recent decennial census) or other area when TMA-designation is requested by the Governor and the MPO (or affected local officials), and officially designated by the Federal Highway Administration and the Federal Transit Administration. TMA designation applies to the entire metropolitan planning area(s). (23CFR500).

**Transportation Enhancements (TE)**

A funding program of the USDOT Federal Highway Administration that offers communities the opportunity to expand transportation choices. Activities such as safe bicycle and pedestrian facilities, scenic routes, beautification, and other investments increase opportunities for recreation, accessibility, and safety for everyone beyond traditional highway programs.

**Transportation Systems Management (TSM)**

Transportation Systems Management is the cooperative development and implementation of strategies to maximize the safe movement of people and goods by managing an integrated multimodal transportation system. The effective management of the system will enable the traveling public more efficient use of the existing transportation facilities. Elements of TSM include incident management programs, traveler information systems, traffic signal systems upgrades, intermodal freight planning, surveillance control systems, demand management techniques, and commercial vehicle operations.

**Traffic Signal Priority (TSP)**

It gives preferential treatment to one type of system user over other users and allows signal controllers to service competing needs in the order of relative importance.

**User Services**

Services available to travelers on an ITS-equipped transportation system, as set forth by ITS America. The 30 services are arranged in 7 categories, as follows: travel and transportation management, travel demand management, public transportation operations, electronic payment, commercial vehicle operations, emergency management, and advanced vehicle control and safety systems.

**User-side Subsidies**

This refers to funds set aside to offer discounts to public transit users. Such subsidies are approved by local jurisdictions councils or boards and are optional. A city, for example, pays full price for a monthly

---

---

bus or rail pass but will sell it to a transit user (city resident) for a lower (subsidized) rate. Each city defines who is eligible for subsidies based on demand and budgetary constraints.

**Vehicle Miles Traveled (VMT)**

The number of miles traveled within a specific geographic location by vehicles for a period of one year. VMT is calculated either by using two odometer readings or, in the absence of one of the odometer readings, by regression estimate.

**REFERENCES**

American Public Transportation Association

Website: <http://www.apta.com/research/info/online/glossary.cfm>

California Highway Design Manual Chapter 1000

California Streets and Highways Code

Website: <http://ntl.bts.gov/>

Caltrans-California Department of Transportation

Website: <http://www.dot.ca.gov/>

City and County of Honolulu and the Hawaii Department of Transportation

Website: <http://www.oahutrans2k.com/info/glossary>

Department of Energy

Website: <http://www.energy.gov/>

Federal Transportation Authority glossary

Website: [http://www.fta.dot.gov/31\\_ENG\\_Printable.htm](http://www.fta.dot.gov/31_ENG_Printable.htm)

Federal Highway Administration (ITS glossary )

Website: [http://www.fhwa.dot.gov/planning/glossary/glossary\\_listing.cfm](http://www.fhwa.dot.gov/planning/glossary/glossary_listing.cfm)

Kitsap Transit, Bremerton, Washington.

Website: [www.kitsaptransit.org/home/ktjargon.html](http://www.kitsaptransit.org/home/ktjargon.html)

State of North Carolina Department of Transportation

Website: <http://www.ncdot.org/transit/transitnet/Glossary/>

US Department of Transportation glossary

Website: <http://www.dot.ca.gov/hq/MassTrans/trterms.htm>

**Other website sources**

<http://en.wikipedia.org/wiki/infrastructure>

<http://sco.ca.gov>

<http://www.belmont.gov/SubContent.asp?CatId=240000622>

<http://www.dieselnet.com/gl-a.html>

[http://www.pvpc.org/html/tier3/transp/trans\\_study.html](http://www.pvpc.org/html/tier3/transp/trans_study.html)

<http://www.tempe.gov/tim/DialARide.htm>

---

---

## **ACKNOWLEDGEMENTS**

The Fiscal Year 2007 revision of the Proposition A and Proposition C Local Return Guidelines was made possible through the combined efforts of Metro staff and the constituent representatives comprising the Local Return Guidelines Update Working Group:

Maged El-Rabaa, County of Los Angeles, Technical Advisory Committee  
Mike Uyeno, City of Los Angeles, Technical Advisory Committee  
Desi Alvarez, City of Downey, Gateway Cities Council of Governments  
Victor Rollinger, League of California Cities, South Bay Cities Council of Governments  
Greg Hermann/Ryan Mills, City of Burbank, Arroyo Verdugo Cities Council of Governments  
Daniel Rix, City of Pasadena, San Gabriel Valley Council of Governments  
James Thorsen, City Of Agoura Hills, Los Virgenes –Malibu Council Of Governments  
Mark Bozigian, City Of Lancaster, North County Transportation Coalition  
David Feinberg, City of Santa Monica, Westside Cities Council of Governments  
Sumire Gant, City of Long Beach  
Mark Yamarone, City of Pasadena, TDM/Air Quality Subcommittee  
Susan Lipman, City of Santa Clarita, Bus Operators Subcommittee  
David Feinberg, City of Santa Monica, Bus Operators Subcommittee  
Joyce Rooney, City of West Hollywood, Local Transit Systems Subcommittee  
Ken Johnson, City of Burbank, Streets & Freeways Subcommittee

Nalini Ahuja, Local Programming, Metro  
Patricia Chen, Local Programming, Metro  
Ed Clifford, Service Coordination, Operations, Metro  
Jay Fuhrman, Local Programming, Metro  
Jon Grace, Transportation Development & Implementation, Metro  
Chip Hazen, ADA Compliance, Metro  
Lori Huddleston, Transportation Development & Implementation, Metro  
Ben Jong, Transportation Development & Implementation, Metro  
Randy Lamm, Transportation Development & Implementation, Metro  
Robert Machuca, Local Programming, Metro  
Al Patashnick, Transportation Development & Implementation, Metro  
Susan Richan, Local Programming, Metro  
James Rojas, Transportation Development & Implementation, Metro  
Armineh Saint, Local Programming, Metro  
Carlos Vendiola, Local Programming, Metro  
Thomas Soteris-McNamara (cover)