Metro is Everywhere

Metro is a lot more than buses and trains.

Anyone who has boarded a bus or a train, driven on the freeway, used the toll roads, stopped at a traffic signal, or ridden a bike in Los Angeles County is a Metro customer.

Whether you are shopping, running errands, or going to work via bus, train, car, bike, or even on foot...

you are going Metro!
Zero Based Budgeting and RAM

- Balanced budget for FY17 and FY18
- Metro resolution to Zero Based Budgeting, Risk Allocation Matrix (RAM), and cost control
- Net $114.8 million reduction includes absorbing greater than CPI cost inflation and new services
- Initiate Midyear budget process to “True-up” budget request
- Annual Program Evaluation (APE) – Construction cost review
- Performance Measure to ensure accountability
- Establish separate RAM savings account to improve bottom line through fiscal discipline

<table>
<thead>
<tr>
<th>Program Type ($ in millions)</th>
<th>FY16 Budget</th>
<th>FY17 Proposed</th>
<th>Variance $$</th>
<th>Variance %</th>
<th>% of Total FY17 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Metro Capital</td>
<td>$ 2,521.4</td>
<td>$ 2,319.3</td>
<td>$ (202.1)</td>
<td>-8.0%</td>
<td>41.0%</td>
</tr>
<tr>
<td>2 Metro Operations</td>
<td>1,515.2</td>
<td>1,607.7</td>
<td>$ 92.5</td>
<td>6.1%</td>
<td>28.4%</td>
</tr>
<tr>
<td>3 Subsidy Funding Programs</td>
<td>1,159.7</td>
<td>1,151.7</td>
<td>$ (8.0)</td>
<td>-0.7%</td>
<td>20.3%</td>
</tr>
<tr>
<td>4 Congestion Management</td>
<td>99.4</td>
<td>114.7</td>
<td>$ 15.3</td>
<td>15.4%</td>
<td>2.0%</td>
</tr>
<tr>
<td>5 General Planning &amp; Programs</td>
<td>175.8</td>
<td>149.6</td>
<td>$ (26.2)</td>
<td>-14.9%</td>
<td>2.6%</td>
</tr>
<tr>
<td>6 Debt Service</td>
<td>328.7</td>
<td>320.1</td>
<td>$ (8.6)</td>
<td>-2.6%</td>
<td>5.7%</td>
</tr>
<tr>
<td>7 Grand Total</td>
<td>$ 5,800.2</td>
<td>$ 5,663.2</td>
<td>$ (137.0)</td>
<td>-2.4%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
Cost Control Efforts

- FY17 budget is a decrease of 2.4%, or $137 million, from FY16
- FY17 would have been a $179 million increase, or 3.1% from FY16 without RAM, cost control and other expense reduction efforts, which will continue into next fiscal year
FY17 Proposed Budget: $5.66 Billion

**Metro Operations**, 28.4%
- Bus and Rail Services as adjusted by Service Councils and Board
- GL (Foothill) and Expo II (SM)
- Line 501
- $326M for SGR

**Metro Capital**, 41.0%
- Transit Capital Specific Projects
- Highway Projects
- Metrolink

**Subsidy Funding Programs**, 20.3%
- Transit Operators
- 88 cities and
- Unincorporated areas
- Local Agencies

**Congestion Mgmt**, 2.6%
- ExpressLanes, Freeway Service Patrol, Call Box

**Debt Service**, 5.7%
- Obligations from past projects

**General Planning & Programming**, 2.0%
- Identify regional mobility needs and solutions
Revenue Assumptions

- FY17 sales tax growth increase of 3.3%, estimated sales tax for is estimated at $2.8 billion
  - Only 32% or $908 million is eligible for Metro Operations and state of good repair

- Two new sources of funds programmed for Metro Operations for Gold Line Ext 2A and Expo Ext to Santa Monica
  1. Cap-and-Trade Funding
  2. CMAQ

- CPI of +1.85% based on Beacon Economics forecast
Metro Projects Life Cycle

Projects are multi-year and in different phases of development

- Planning
- Ongoing System Evaluation/Needs Assessment
- Engineering
- Construction
- Operations/Maintenance

FY17 budget represents the annual slice of each project
FY17 Capital Program

Deliver Transit Expansion Projects and Support State of Good Repair

1) Transit Expansion:
   - **Design and construction**: Continued progress for Crenshaw / LAX, Regional Connector & the Westside Subway Purple Line Ext (PLE) Sect 1. advancement of PLE Sec 2 for Full Funding Grant Agreement. Closeouts for Expo 2 & Foothill projects.
   - **Major Construction completion**: Conclude Universal City Pedestrian Bridge and Orange Line to Red Line Pedestrian Underpass.

2) State of Good Repair:
   - **Facility, System and Maintenance of Way**: Bus, Blue, Gold, Green, Red & Purple projects that focus on reliability improvements. Includes rail communications, systems, stations and trackwork.
   - **Vehicle Maintenance / Acquisitions**: Conclude 40’ bus acquisitions, start new artic bus and 40’ bus acquisition, bus midlife, engine replacements, Initiate light rail & heavy rail acquisitions / component / midlife overhauls.
   - **Technology Improvements**: Web Infrastructure, Enterprise Telephone System, Tablet POS System, Software/Hardware Refresh, Mobile Phone Validator App.
   - **Infrastructure Improvements**: Union Station Renovations/FLS/ADA, Gateway Building Improvements.
General Planning & Programming

Mobility Needs Assessment & Conceptual Planning

- Long Range Transportation Plan
  Mobility needs of LA County over the next 30 years
- Long Range Financial Plan
  How do we fund the LRTP?
- Systemwide and Subregional Planning
  What are the local mobility needs?
- Potential Ballot Measure
  What should be in an expenditure plan for a potential new sales tax?

Transit, Highways, Local Streets and Roads

- Bus Rapid Transit Corridors
  Identifying heavily travelled routes/segments for higher speed bus service
- First/Last Mile
  Access to bus/rail to reach your final destination (door-to-door)
- Active Transportation: Bicycle and Pedestrian Programs
  Non-motorized mobility alternatives
- Street Improvements
Planning and Engineering

Projects Under Planning/Engineering in FY17

TRANSIT
> East San Fernando Valley Transit Corridor
> Airport Metro Connector
> South Bay Metro Green Line Extension
> West Santa Ana Branch
> Eastside Extension Phase II
> Crenshaw Northern Extension
> Orange Line grade separation operational improvements

ACTIVE TRANSPORTATION/JOINT DEVELOPMENT PROJECTS
> Bikeshare and Bike Program
> Parking Program
> Rosa Parks Station Design Plan
> Rail to River ATC
Construction

Projects Under Construction in FY17

TRANSMIT PROJECTS
> Westside Purple Line Extension Section 1 (La Cienega)
> Crenshaw/LAX Transit Project
> Regional Connector
> Orange Line to Red Line Pedestrian Underpass
> Union Station Renovations/FLS/ADA
> State of Good Repair on Facility, System and Maintenance of Way

HIGHWAY PROJECTS
> ACE Grade Separation
> I-5 North HOV and Truck Lanes
> I-5 South Capacity Enhancements
> Highway Operational Improvements - Virgenes/Malibu
> I-405 / I-110 / I-105 / SR-91 Ramp & Interchange
> SR-710 South Early Action Projects
> I-605 Corridor "Hot Spot"
> SR-138 Capacity Enhancements
> Highway Operational Improvements - Arroyo Verdugo
Metro Bus and Rail Services

What’s Happening in FY17?

RAIL SERVICE EXPANSION

> Expo Line Phase II to Santa Monica
> Gold Line Eastside Extension to Azusa
> Adjust budget to reflect actual night and weekend headways

BUS CHANGES

> Increase speed and optimizing the bus system:
  • Implement Line 501 (No-Ho-Pasadena Express for a full year)
  • RAM Initiatives: load factor, bus stop consolidation, BRT speed improvements, including line management and all door boarding
  • Minor changes to improve span of service and connections to major destinations

> Incorporate Service Council approved changes:
  • Expo 2 Bus/Rail Interface (Truncate Line 534 in Santa Monica and extend Lines 234, 734, 788 to Expo Sepulveda Station)
  • Line/segment cancellation (Lines 190/194, and 270)
  • Reinvest some savings from line/segment cancellation
Subsidy Funding Passed to Cities

About 21% goes to cities to improve transit and mobility (Local Return Money)

Public Transit
Dial-A-Ride
Paratransit
Shuttle Service

Fare Subsidy Programs
Youth and Senior Recreational Transit
Taxi subsidies

Bus Stop Improvements/Maintenance
Bus Shelters
Safety Improvements
Transit Center Parking

Bikeways, Bike trails, lanes, boulevards
Bicycle parking and lockers
Citywide Bikeshare programs
Subsidy Funding Passed to Cities

Many projects are underway by each of the cities to improve transit and mobility

Pedestrian Improvements
Crosswalk programs
Traffic signals near schools
Safe Routes to school

Street Repair and Maintenance
Street Lighting Projects
Street Improvement Projects
Pavement Rehab
Streetscape Improvements

Traffic Signal Enhancements & Installations
Traffic Signal Synchronization
Congestion Management

Freeway Operations

- ExpressLanes - Toll operations
- Caltrans Operations and Maintenance
- California Highway Patrol (CHP)
- Freeway Service Patrol
- Call Box Program
- Regional Integration of Intelligent Transportation System

OTHER CORRIDOR FUNDED PROGRAMS

- Bus service enhancement (Metro, Foothill Transit, Gardena Transit, Torrance Transit)
- Net Toll Revenue Reinvestment Grant Program
- Marketing and Outreach
- Professional services contracts to support existing and evaluate new ExpressLanes
Public Engagement in Budget

We want your input... GET INVOLVED!

- Proposed budget available online by May 4th
- Public Hearing May 18th
- Service Councils
- Citizen Advisory Council
- Social Media (Twitter/Facebook/The Source/El Pasajero)
- Podcasts
- Interactive online tool
- Visit us at: www.metro.net
- Email us: budgetcomments@metro.net
Thank You!