Agenda

Los Angeles County
Metropolitan Transportation Authority

TECHNICAL ADVISORY COMMITTEE

William Mulholland Conference Room

1. Call to Order/Roll Call 
   Action (Fanny Pan, Matthew Abbott)

2. Public Comments 
   Discussion

3. Agenda Reports by Standing Committees
   Bus Operations
   (Alva Carrasco)
   Local Transit Systems
   (Alex Gonzalez)
   Streets and Freeways
   (Carlos Rios)
   TDM/Air Quality
   (Mark Yamarone)
   Attachment 1: Subcommittee Agendas
   Attachment 2: Subcommittee Actions
   5 min

4. Chairperson’s Report 
   Information
   (Fanny Pan)
   10 min

5. Consent Calendar 
   Action
   • Approval of Minutes
     Attachment 3: Draft March 7, 2012 Minutes

6. LACMTA Green Construction Policy 
   Information
   (Cris Liban)
   10 min

7. 2013 Call for Projects 
   Discussion
   (Rena Lum)
   20 min

8. Short Range Transportation Plan 
   Information
   (Rena Lum)
   5 min

9. Legislative Update 
   Information
   (Michael Turner/Marisa Yeager)
   Federal
   State
   15 min
10. Inter-County Agreements for Optimizing Use of Federal Highway Apportionments Within the SCAG Region Attachment 4: Board Report 5 min

Information (Patricia Chen)

11. CTC Update 5 min

Information (Patricia Chen)

12. Congestion Mitigation Fee 5 min

Information (Robert Calix)

13. I-605 Hotspots Feasibility Study Update 5 min

Information (Ernesto Chaves)

14. SR-710 Project Update 10 min

Information (Michelle Smith)

15. Metro ExpressLanes Project Update 15 min

Information (Kathleen McCune)

16. Other Business

17. Adjournment

TAC Minutes and Agendas can be accessed at: http://www.metro.net/about/tac/

Please call Matthew Abbott at (213) 922-3071 or e-mail abbottm@metro.net with questions regarding the agenda or meeting. The next meeting will be on May 2, 2012 at 9:30 a.m. in the William Mulholland Conference Room.
Subcommittee Agendas – March 2012

- **Bus Operations**
  - March 20, 2012

- **Local Transit Systems**
  - March 29, 2012

- **Streets and Freeways**
  - March 15, 2012

- **TDM/Air Quality**
  - Did not meet in March
Agenda

Los Angeles County
Metropolitan Transportation Authority

BUS OPERATIONS SUBCOMMITTEE
Mulholland Conference Room-15th Floor

1. Call to Order
   (1 minute) Action
   Alva Carrasco

2. Approval of February 21, 2012 Minutes
   Action
   BOS

3. Chair's Report
   Information
   Alva Carrasco

4. FTA Updates
   (10 minutes) Information
   Jonathan Klein/Karineh Gregorian

5. Legislative Report
   Information
   Raffi Hamparian/Marisa Yeager
   Michael Turner

6. Toll Credits Update
   Information
   Avital Shavit

7. CMP Transit Monitoring
   Information
   Scott Hartwell

8. Access Services Update
   Matthew Avancena

9. FY 2013 Funding Marks
   Carlos Vendiola

10. New Business

11. Adjournment
Information Items:

- 90-day Rolling Agenda
- Legislative Matrix
- Invoices
- EZ Pass Invoices
- Subsidy Matrix FY11-12
- TDA-STA Capital Claims
- TDA-STA Claims
- Regional Sales Pass

BOS Agenda Packages can be accessed online at:
http://www.metro.net/about

REMINDER: Deadline for FY 2013 Appropriations of FTA Section 5307 - 15% Discretionary Capital and 1% Transit Enhancement (TE) Funds is Friday, March 23, 2012 @ 5pm

Please call ANNELLE ALBARRAN at 213-922-4025 or QUENISHA WILLIAMS at 213-922-7474 if you have questions regarding the agenda or meeting. The next BOS meeting will be tentatively held on April 17, 2012 at 9:30 am in the Mulholland Conference Room, 15th Floor of the Gateway Building.
Agenda

Los Angeles County Metropolitan Transportation Authority

LOCAL TRANSIT SYSTEMS SUBCOMMITTEE

William Mulholland Conference Room – 15th Floor

1. Call to Order


3. Volunteer Dial-a-Ride programs

4. Vehicle Procurement

5. FY2013 Prop A 5% of 40% Funding Marks – 2nd DRAFT (Handout)

6. New Business, Date of Next LTSS Meeting

Adjournment

Action
Ryan Thompson, Chair

Action
Ryan Thompson, Chair

Information
George Sparks and Eric Haack

Information
Brent Philips

Information
Susan Richan, Metro

Ryan Thompson
Agenda

Los Angeles County Metropolitan Transportation Authority

Streets and Freeways Subcommittee

Mulholland Conference Room, 15th Floor

1. Call to Order  
   Action (Bahman Janka)  
   1 min

2. Approval of Minutes  
   Attachment 1: Draft January 19, 2012 Minutes  
   Attachment 2: Sign in Sheet/Attendance Sheet  
   Attachment 3: 90-Day Rolling Agenda  
   Action (Subcommittee)  
   1 min

3. Chairperson Report  
   Information (Bahman Janka)  
   5 min

4. Metro Report  
   Information (Fulgene Asuncion)  
   5 min

5. Caltrans Report  
   Information (Kirk Cessna)  
   5 min

6. State and Federal Legislative Update  
   Information (Michael Turner, Raffi Hamparian, Marisa Yeager)  
   10 min

7. CTC Update  
   Information (Patricia Chen)  
   10 min

8. Inter-County Agreements for Optimizing Use of FHWA Apportionments within SCAG Region  
   Information (Patricia Chen)  
   10 min

9. LA County Signal Synchronization and IEN Update  
   Information (Jane White)  
   20 min
10. SR-710 Project Update  
   Information (Michelle Smith)  
   15 min

11. Call for Projects Update  
   Discussion (Rena Lum)  
   Attachment 4: Measure R Regional Funds  
   Alignment Motion  
   30 min

12. Strategy for Short Range Transportation Plan  
   Information (Rena Lum)  
   10 min

13. New Business  
   Discussion (Subcommittee)  
   10 min

14. Adjournment  
   Action (Subcommittee)  
   1 min

The next meeting of the Streets and Freeways Subcommittee will be held on April 19, 2012 at 9:30 a.m. on the 15th Floor, William Mulholland Conference Room. Please contact Fulgene Asuncion at (213) 922-3025 should you have any questions or comments regarding this or future agendas.

Agendas can be accessed online at: http://www.metro.net/about/sfs/
Attachment 2

Subcommittee Actions
Disposition of March 2012 Subcommittee Actions

Bus Operations Subcommittee:

- Approved minutes for February 21, 2012

Local Transit Systems Subcommittee:

- Approved minutes for February 23, 2012

Streets and Freeways Subcommittee:

- Approved minutes for February 16, 2012

TDM/Air Quality Subcommittee:

- Did not meet in March
Attachment 3

Draft March 7, 2012 TAC Minutes

March 7, 2012 Sign-In Sheets

TAC Member Attendance
Wednesday, March 7, 2012 9:30 A.M.

Meeting Minutes

Los Angeles County
Metropolitan Transportation Authority

TECHNICAL ADVISORY COMMITTEE

1. Call to Order/Roll Call
Matthew Abbott (Alternate Chair) called the meeting to order at 9:35 a.m., took roll and declared a quorum was present.

2. Public Comments
There were no public comments.

3. Agenda Reports by Standing Committees
Bus Operators (Alva Carrasco)
• Last met on February 21, 2012
• Received updates:
  o Federal Transit Administration (FTA)
  o Proposition 1B Bridge Funds
  o Light validator
  o Access Services, Incorporated (ASI)
• Next meeting is scheduled for March 20, 2012

Local Transit Systems (Alex Gonzalez)
• Last met on February 23, 2012
• Elected Ryan Thompson (City of Calabasas) as Subcommittee Chair, Perri Sloan Goodman (City of West Hollywood) as Vice Chair, and Elma Prince (City of Pasadena) as Secretary
• Next meeting is scheduled for March 29, 2012

Streets & Freeways (Carlos Rios)
• Last met on February 16, 2012
• Received updates:
  o Call for Projects (Call)
  o Caltrans
• Next meeting is scheduled for March 15, 2012

TDM/Air Quality (Mark Yamarone)
• Did not meet in February
4. **Chairperson’s Report**

Fanny Pan (Chair) reported that at its February 23rd meeting, the Board:

- **Approved on Consent Calendar:**
  - The Round 2 Transit Oriented Development (TOD) Planning Grant Program Guidelines;
  - The finding that in 2011 all 88 cities and the County of Los Angeles are in conformance with the Congestion Management Program for Los Angeles County;
  - The Najarian, Dubois, O’Connor, and Knabe Motion that:
    - Measure R highway “equity” funds shall be allowed to be used as a source of local match for future Call applications;
    - Measure R regional funding categories be brought into alignment with the same guidelines used with Propositions A and C as reflected in the last paragraph of this motion; and
    - Staff shall integrate this Measure R Highway subfund policy into the Call process, and will advise the Board in April on how this policy is integrated into the Call and on initiating the 2013 Call process;
  - Authorizing the Chief Executive Officer (CEO) to negotiate and execute a Contract Modification for Change Notice No. 11 to Contract No. E0119 with the Connector Partnership Joint Venture to advance Preliminary Engineering, support FTA Approval to Enter into Final Design, and the Board approved $500,000 for the preliminary design of the second entrance at 2nd Street/Broadway station for the Regional Connector Transit Corridor Project, for an amount not to exceed $9,296,670, increasing the total contract value from $23,309,794 to $32,606,464, and increasing the Contract Modification Authority (CMA) in the amount of $10,226,337 increasing the total CMA from $3,225,000 to $13,451,337;

- **Authorized on Consent Calendar:**
  - The CEO to enter into a funding agreement with Caltrans District 7 for an amount not to exceed $2,000,000 for Fiscal Year (FY) 2011-12 through 2013-14 for project delivery support services for the I-710 South Corridor Project Environmental Impact Report/Environmental Impact Statement (EIR/EIS);
  - The CEO to execute modification No. 3 to Contract No. PS-4010-2589 with Mercator Advisors, LLC to provide Federal financial advisory and analytical services for the America Fast Forward program for a period of 12 months for the amount not to exceed $149,172, increasing the total contract value from $288,601 to $437,773;
  - The CEO to enter into a Memorandum of Understanding (MOU) with the City of San Gabriel pertaining to the City’s railroad grade separation bridges, trench and supporting structures as part of the Alameda Corridor East Project;
  - The CEO to enter into a Bid Stipend Agreement with each of the qualified proposers for the Crenshaw/LAX Transit Corridor in an amount of $1,000,000 per Stipend Agreement for unsuccessful responsive proposers; and
  - The CEO to award a cost plus fixed fee Contract No. PS4710-2769 to Mark Thomas and Company in the amount of $4,952,298 for professional services to prepare a Utility Relocation Study that includes conceptual and preliminary
engineering, and technical studies for utility relocation and structural components of the I-710 Corridor Project, specifically, for the Central Segment, between the I-405/I-710 Interchange to the Los Angeles River;

- **Approved:**
  - Yaroslavsky motion that staff return in March with a plan that would implement gate locking within 5-6 months, phased in on an aggressive schedule and work to resolve fare media issues with Metrolink and the municipal operators and fare inspection issues with the Sheriff’s Department;
  - Huizar motion that the CEO establish a working group comprised of six municipal operators of which three are TAP enabled and three that are not TAP enabled along with high level executive staff. The working group shall address the seven overarching items identified in the municipal operator letter dated January 30, 2012. Also move that the CEO report back at the March 2012 Board meeting with an update; and
  - Fasana and Ridley-Thomas motion that the MTA Board of Directors oppose any efforts, including State Legislation, by Caltrans to abandon State Route (SR)-39 and requests that Caltrans continue their efforts to complete the SR-39 Reopening Project;

- **Approved as Amended:**
  - To include a system-wide review Villaraigosa, Dubois, O’Connor, Wilson, and Huizar motion that the Board adopt and direct the CEO to include a system wide review using the following framework to improve existing and future stations along the MTA rail system:
    - **Signage and way-finding:**
      - Prepare an assessment of pedestrian and bicycle connectivity and customer amenities (“connectivity elements”) for stations and surrounding areas on both the Blue Line and Green Line that shall include, but not be limited to:
        - a. Crosswalk and sidewalks;
        - b. Bicycle racks, corrals, and other bicycle facilities;
        - c. Pedestrian and bicycle signals;
        - d. Station canopies; and
        - e. Streetscape amenities (e.g. street trees, decorative sidewalk treatments, etc.);
      - Recommend improvements to connectivity elements, especially signage, that will make it easier to use the transit system and improve the customer experience;
    - **Station Park & Rides:**
      - Evaluate the current security systems and recommend as appropriate the installation of additional video surveillance cameras at MTA owned (or used) property;
      - Identify best practices for facility maintenance and recommend changes to MTA’s existing maintenance practices; and
      - Conduct a parking space utilization study and recommend strategies to increase utilization;
- Noise abatement;
  ◦ Evaluate options for reducing station noise along the Green Line using advanced noise reduction techniques and/or strategies; and
  ◦ Recommend noise reduction strategies for the Green Line;
- TOD;
  ◦ Expand the TOD grant program in the adopted FY 12 Budget to fund additional planning work and design guidelines that promote sustainable TOD principles along the following transit and rail lines:
    a. Blue Line;
    b. Green Line Extension to LAX;
    c. West Santa Ana Branch;
    d. Westside Subway Extension;
    e. Silver Line/Artesia Transit Center and other Transitway Stations; and
    f. Los Angeles County Metrolink Stations;
- Funding;
  ◦ Amend the FY 12 Budget to allocate $10 million to fund recommendations from Item D above from the “FY 12 Adopted Budget: Transit Capital, Metro Capital – System Improvements, Rail Yards and Rail Cars; FY 12 Estimated Ending Fund Balance” (FY 12 Approved Budget);
  ◦ Report back by the April 2012 Board meeting on all the findings and recommendations as described above.

Ms. Pan reported that Caltrans announced the 2012-13 Bicycle Transportation Account Call for Projects on February 27, 2012. Applications are due to Headquarters and Districts by the close of business on April 27, 2012.

Ms. Pan welcomed a new member, Mr. Troy Evangelho from the General Plan Development/Housing section of Los Angeles County. Mr. Evangelho is assuming the TAC member position vacated by Mr. Travis Seawards.

Ms. Pan provided a written report on the LACMTA Green Construction Policy (Policy).

5. Consent Calendar
A motion to approve the February 1, 2012 minutes was made by Mohammad Mostahkami (League of Cities, Gateway Cities COG) and seconded by Ferdy Chan (City of Los Angeles). The motion was approved with no objections.

6. Long Range Transportation Plan Financial Forecast Update (David Yale, MTA)
Mr. Yale announced that MTA staff is requesting approval of changes in the Measure R Contingency Policy (Contingency Policy) and the State Repayment of Capital Project Loan funds.
Mr. Yale reported that the adoption of Measure R and the Long Range Transportation Plan (LRTP) coincided with the worldwide economic recession, which reduced the Measure R forecast from $40 billion to $36 billion. It has been a challenge to update the LRTP to reflect the economic impacts. The Board has taken several actions to manage the LRTP financials despite cost increases and revenue decreases. Measure R and the LRTP were initially adopted with higher predicted sales tax revenue projections. An updated sales tax revenue forecast was approved in April 2010, and revenue has remained on track since then.

The Board adopted priorities, policies, and updates to ensure the LRTP is a success. The priority-setting process for projects in the first decade was completed in March 2010 and updated in April 2011. The first decade (FY 2011-19) priority-setting categories include over $20 billion as shown below:

1. Projects already under construction - $2.76 billion
2. Projects with bids advertised - $2.35 billion
3. Right-of-way activities/purchases - $0.35 billion
4. Begin or continue all first decade project development phases - $1.97 billion
5. Complete construction of priority projects - $10.66 billion
6. Identify needs for other projects - $2.02 billion

The fifth category is the largest priority, with over 100 line items that were prioritized into 12 subcategories. Some of the projects that were wholly deferred in March 2010 are now being moved forward by using deobligated funding from other projects.

While the net MTA-controlled revenues are down by $136 million from March 2010 to November 2011, this is not a significant concern in the long run as it is less than one percent of the $20 billion program discussed above. The LRTP cost increases through October 2011 that are not offset have a total of $287 million. The financial forecast assumes that the Board will approve our New Starts assumptions. The Westside Subway Extension Phase 1 is offset by New Starts funds and transfers from Phase 2. The Regional Connector cost increases will be offset by New Starts funds and the 5th/Flower station elimination.

David Feinberg (League of Cities, Westside Cities COG) asked whether the Congestion Mitigation and Air Quality (CMAQ) funding that will be used to offset the Regional Connector cost increases was already programmed elsewhere? Mr. Yale responded that the CMAQ funding would have been applied to one of the other projects on the priority list.

Mr. Chan asked what is the main reason for the cost increases? Mr. Yale responded that the Westside Subway Extension cost increase is due to a mile extension from Fairfax Avenue to La Cienega Boulevard, the Regional Connector cost increase was caused by additional studies to determine whether it will be necessary to build underground near Little Tokyo, and the Crenshaw/LAX Transit Corridor project cost increase is due to additional underground portions approaching the Expo Line.

Mr. Yale reported that the Contingency Policy limits the interest costs to the levels forecasted in April 2010. The Contingency Policy is silent on the Measure R interest earnings and Build America Bonds (BABs), which were issued after the 2010 forecast, but before the Contingency Policy. Staff proposes to grandfather the BABs into the Contingency Policy and also include...
the Measure R interest earnings. If this does not occur, additional first decade projects would be delayed. Staff is also requesting the advancement of Measure R funding. The Measure R Advance Funding Policy (Funding Policy) requires that funding advanced ahead of Measure R schedules must be repaid. This must occur before the expected project completion date and applies only to MTA’s funds in FY 11 and beyond.

Jano Baghdanian (LTSS) asked if the Regional Connector is included as a project that must repay from its Measure R funds? Mr. Yale responded yes.

Mr. Yale reported that clarifications are necessary to avoid LRTP impacts. Staff is proposing that adjustments be made to the Funding Policy.

Steve Lantz (Audience Member) asked if projects are accelerated by the 30/10 Initiative, then would the Measure R Advance Funding Policy be eliminated? Mr. Yale responded that the funds available beginning date would need to be amended by the Board.

Mr. Mostahkami asked if there are any negative impacts for other jurisdictions? Mr. Yale responded that the changes to the Contingency Policy and Funding Policy have no negative impacts for the LRTP. Mr. Mostahkami asked if the Measure R Extension would have any benefit to these policies? Mr. Yale responded that this is currently being evaluated.

Mr. Feinberg asked if 20 additional years of Measure R would be better than the original 30/10 Initiative? Mr. Yale responded that the original 30/10 Initiative is not funded because the Board did not secure the necessary low interest loans.

Mr. Lantz asked if the Measure R Extension would cover both highway and transit? Mr. Yale responded that the current legislation would only accelerate transit.

Ellen Blackman (Citizen Representative on ADA) asked if the LRTP would be affected by ADA compliance? Mr. Yale responded that the mandated expenses for ADA compliance are expected to grow exponentially, and a national strategy has not been prepared to address it. Ms. Blackman asked if ADA compliance needs are primarily paratransit or others, such as making rail stations and buses accessible? Mr. Yale responded that project budgets are required to be consistent with ADA compliance, so the biggest concern is providing paratransit and parallel service. Ms. Blackman asked if the proposed strategies will have an impact on the ability to meet those needs? Mr. Yale responded that existing bus service may eventually need to make cost cuts to accommodate ASI costs.

Mr. Baghdanian asked if any funding will be added to the Call? Mr. Yale responded that the Call is included in the priority-setting process. Mr. Baghdanian asked how funding for the upcoming Call compares to previous Calls? Ms. Pan responded that the 2011 Call had about $100 million in funding and the upcoming Call will have about $150 million. Mr. Baghdanian asked whether TAC can request that this amount of funding be increased? Mr. Yale responded that this can be addressed in a motion by TAC. Mr. Mostahkami asked how much funding was available in the 2009 Call? Ms. Pan responded about $330 million.
Mr. Lantz asked if the Call is part of the acceleration strategy? Mr. Yale responded that it could be incorporated, although the Call is not found in Measure R.

Larry Stevens (League of Cities, San Gabriel Valley COG) asked if Measure R projects have been identified to be deferred if the policies are not adjusted? Mr. Yale responded no.

Mr. Mostahkami asked if the Interstate (I)-710 Corridor Early Action Funds are included in the priority list? Mr. Yale responded yes.

Mr. Baghdanian asked if the SR-710 Gap Closure Project is included? Mr. Yale responded that development funding is included, but the construction funding is not.

Mr. Chan asked if Measure R funding can be used toward the Call? Ms. Pan responded that the Call uses Local, State, and Federal funds, not Measure R funds. Mr. Chan asked which funds could be used to increase the Call? Mr. Yale responded Federal and State gas taxes, Proposition C 10% and 25% funds, CMAQ, Regional Surface Transportation Program (RSTP), and Transportation Enhancement (TE) funds.

Motion
Mr. Baghdanian made a motion to approve the MTA staff recommendation on the LRTP Financial Forecast Update, with the condition that the staff recommendation does not delay future Call funding, and that the amount that is currently programmed for the 2013 Call (approximately $150 million) is maintained. In addition, TAC requests that MTA staff look for ways to increase the funding for the 2013 Call and/or accelerate the Call funding years. The motion was seconded by David Kriske (League of Cities Arroyo Verdugo Cities) and was approved with no objections.

Motion
Mr. Mostahkami made a motion that the Call funding be raised to $400 million and the I-710 South Early Action Project funding be increased to $1 billion without further delays. This motion was seconded by Dana Lee (BOS). The motion failed with 16 objections.

Mr. Stevens commented that the second motion sets the precedence of allowing projects to be singled out for additional funding, which ignores an entire funding process.

Ms. Pan stated that Measure R allocated a maximum of $590 million for the I-710 South Early Action Project so additional funding cannot be allocated from Measure R.

7. Pedestrian Coordinator on Streets and Freeways Subcommittee (Carlos Rios)
A motion to approve the election of Dale Benson (Caltrans) as Pedestrian Coordinator on the Streets and Freeways Subcommittee was made by Mr. Baghdanian and seconded by Alex Gonzalez (LTSS). The motion was approved with no objections.

8. Statewide Transportation Needs Assessment (Robert Leiter, SCAG)
Mr. Leiter reported that the purpose of the Statewide Transportation System Needs Assessment (STNA) is to develop a coordinated list of transportation projects and programs and related funding requirements that will allow Local, State, and Regional transportation
agencies to present a consistent message when communicating California’s transportation system preservation, expansion, management, maintenance, and operation needs.

The Draft STNA was released in June 2011 and the Final STNA was approved in December 2011 by the California Transportation Commission (CTC). The transportation system categories include state highways, local roads, public transit, inter-city passenger rail, freight rail, high-speed rail, seaports, airports, land ports, major intermodal facilities, tribal lands, and bicycle and pedestrian projects. Transportation system costs were divided into preservation, management and expansion. The total system preservation, management and expansion cost for 2011 – 2020 is $538 billion. The total system revenue is $242 billion, thus the deficit over this period is $295 billion.

The STNA is intended to be made available to all participating agencies as a resource for future advocacy efforts at Federal, State, Regional, and Local levels.

Mr. Leiter announced that the STNA is available at [http://www.catc.ca.gov/reports/2012%20Reports/Trans_Needs_Assessment_corrected_0117_2012.pdf](http://www.catc.ca.gov/reports/2012%20Reports/Trans_Needs_Assessment_corrected_0117_2012.pdf).

Mr. Mostahkami asked what was the source of information for the local roads assessment needs? Mr. Leiter responded that this was part of a report that was produced for the League of California Cities (League) and California State Association of Counties (CSAC), which was managed by the Los Angeles County Department of Public Works. Mr. Mostahkami asked when this study occurred? Mr. Leiter responded in 2011. Mr. Mostahkami asked if this will be shared with the League? Mr. Leiter responded that it has already been made available from the representatives of the League and CSAC.

Mr. Lantz asked if the inter-city and freight rail costs include private costs? Mr. Leiter responded that this data was from regional transportation plans, so it depends upon whether private costs were included in those.

9. Legislative Update (Michael Turner/Marisa Yeager, MTA)

   Federal

Ms. Yeager reported that the current extension of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) expires on March 31, 2012. The House of Representatives and Senate are both working to pass Federal Reauthorization Bills.

10. Strategy for Short Range Transportation Plan (Rena Lum, MTA)

Ms. Lum reported that staff initiated work on the Short Range Transportation Plan (SRTP). The Draft SRTP is expected to be complete in late 2012 with adoption of the Final SRTP anticipated in June 2013. The SRTP will cover the years from FY 2013 to 2023.

During the upcoming month, staff will begin reaching out to the subregions to ask them to identify projects that are scheduled to open during this period and provide the opportunity to update their strategic project lists. Strategic projects were identified in the LRTP and Supplemental LRTP.
11. Call for Projects (Rena Lum, MTA)
Ms. Lum reported that staff is proceeding with the Board Report to initiate the Call in April. Suggestions for potential changes to the Call application process will be discussed at the next TAC meeting.

Ms. Lum reported that at the January 18th Planning and Programming meeting, Directors Najarian, Dubois, O’Connor, and Knabe made a motion to allow Measure R Highway “equity” funds to be used by the Arroyo Verdugo, Las Virgenes/Malibu, and South Bay Subregions as a source of local match for future Call applications. This motion was revised and approved at the February 23rd Board meeting. The project eligibilities of the Measure R Highway “equity” funds were identified during a series of meetings with the Highway Advisory Committee after Measure R was adopted. The subregions with the I-710 South Early Action Plan and I-605 Corridor “Hot Spot” Interchange Projects are also included, but projects for these subregions have not yet been identified. With this motion, jurisdictions in these subregions are allowed to use Measure R Highway subfunds as local match in their Call applications if the project is eligible to compete in the Call and the project is on one of the Board-adopted lists. The Board requested that staff integrate this motion into the future Calls.

Mike Behen (League of Cities, North Los Angeles County Coalition) asked why this motion was not presented to TAC? Ms. Pan responded that this was a Board motion, not a staff recommendation. Mr. Behen asked why this motion was not directed to TAC for discussion and recommendation since TAC invests a significant amount of time in the Call? Ms. Lum responded that this motion was approved in late February so TAC did not have an opportunity to discuss it until the March TAC meeting. Mr. Behen asked if these subregions in the motion could use Measure R funds as local match? Ms. Lum responded yes. Mr. Behen asked if this could give subregions an advantage? Ms. Lum responded that it could provide up to 10 points as overmatch. Mr. Behen stated that based upon the language of the motion, the North Los Angeles County Subregion should be included as one of the subregions allowed to use Measure R funds as local match. Ms. Pan responded that those subregional funds were originally identified in the Measure R. Mr. Behen said that he disagrees, and the City of Palmdale will provide a letter explaining their point of view.

Mr. Kriske asked if there was a discussion regarding whether subregions can substitute Measure R funds for previous Call applications? Ms. Pan responded that the motion only permits Measure R funds to be used for future Call applications, beginning with the 2013 Call.

Mr. Stevens asked why only certain subregions were selected and what was the rational basis for this decision? Ms. Lum responded that she cannot provide an answer because this was a Board item, not a staff recommendation. Mr. Stevens asked if the four Board members who initiated this motion were from the subregions that benefitted? Mr. Feinberg responded no. Mr. Stevens said that he is concerned that this motion was intended to provide equity for certain subregions, but it instead created an imbalance for the rest of the subregions because it lacks an explanation.

Mr. Mostahkami asked if this differs from Measure R Local Return? Ms. Lum responded yes. Mr. Mostahkami requested greater explanation about Measure R. Ms. Lum explained that Measure R identified set aside funds for highway projects in specific subregions in the
Expenditure Plan. Mr. Mostahkami asked how all of the subregions can be included? Mr. Behen commented that the original motion does not list specific cities or subregions, and the third recommendation changed from the January motion and the revised February motion. Ms. Lum responded that justification for the selection of subregions can be attributed to the motion’s statement that it is an effort to “balance the scales,” between “transit” and “highway” projects. Subregional Measure R funds were allocated to those cities/subregions that did not have major transit projects included in the ordinance or were included only in the latter decades. Mr. Behen responded that the North Los Angeles County Subregion fits this criteria.

Allan Abramson (County of Los Angeles) asked what is the time span that the subregional project lists are intended for? Ms. Pan responded that these project lists are approved for the first five years, but the total amount of money will be expended over the next 30 years.

Mr. Stevens asked what rationale was used to justify the criteria that selected certain subregions to gain an advantage in the Call? Mr. Baghdanian responded that Measure R was approved with certain subregions having set aside funding. This is the list that was used in the Measure R Regional Funds “Alignment” motion.

Mr. Baghdanian asked what was the reason that some subregions did not receive the same funding as others through Measure R? Mr. Mostahkami commented that the Measure R Extension is being placed on the ballot with a specific purpose, which leaves out certain agencies. He said this should be looked at closely to ensure that agencies receive their fair share. Mr. Baghdanian commented that some subregions received funding from projects through Measure R while others did not, and this should be evaluated and brought to TAC. Mr. Stevens stated that he is aware that this will not change Measure R, but he is interested in the justification behind it.

Mr. Behen asked how this motion affects the 2013 Call and the Board? Ms. Lum responded that TAC can take an action to address their concerns.

Alan Patashnick (Metro) stated that some subregions had specific funding for highway and transit projects, whereas other subregions did not.

Mr. Stevens stated that he is unsure whether there were only four subregions that met the above criteria.

Motion
Mr. Stevens made a motion that staff return to TAC next month to explain the rationale of the criteria basis for including the Arroyo Verdugo, Las Virgenes/Malibu, South Bay, and Gateway Cities Subregions in the Measure R Highway “equity funds” and to determine whether any other subregions meet this criteria and should be considered eligible for the same Call for Projects benefit. The motion was seconded by Steve Huang (League of Cities, South Bay Cities COG). The motion was approved with two abstentions and two objections.

Mr. Baghdanian commented that if subregional funds are not used and could better suit other subregions, then this should be allowed. Mr. Stevens responded that this would be an
opportunity to gain additional points in the Call application, not the reallocation of funds. Mr. Behen commented that all of the subregions should be compared based upon the criteria from the Alignment motion. Paul Maselbas (County of Los Angeles) stated that empirical data should be available to answer this question.

Mr. Behen asked how this will affect the April Board Report? Ms. Lum responded that as of now, guidance will not be provided in the Board Report.

12. PC 25% Guidelines (Patricia Chen, MTA)
Ms. Chen reported that Proposition C (PC) 25% provides funding for essential countywide transit-related improvements to freeways and State highways. PC 25% is intended to improve the operation of major streets and freeways through preference and priority for transit, traffic signal synchronization and coordination, smart street corridors that benefit transit, transportation system management that assists transit, and transportation improvements on freeways and State highways to facilitate and expedite transit, rideshare vehicles, and carpools.

The purpose of the update to the PC 25% Guidelines (Guidelines) is to reflect Proposition A and ensure that all uses in the Guidelines have a sound basis in the ordinance. Changes to the Guidelines include the removal of bikeways and Park & Ride lots and inclusion of mass transit projects, if they are in rail right-of-ways (ROWs).

Mr. Gonzalez asked if a local parking lot at a commuter rail station would be eligible? Ms. Chen responded no. Mr. Gonzalez said that he is concerned that the Guidelines may be limiting PC 10% uses for cities. Ms. Chen responded that the revision to the Guidelines is coordinated with its implementation in recent years, so the effects are minimal. The Guidelines also provide a list of funding alternatives.

Nancy Villasenor (City of Long Beach) asked how the revision of the Guidelines affects currently funded projects? Ms. Chen responded that she does not expect any currently funded projects to be affected.

Mr. Kriske asked if Local Return Guidelines are related to the PC 25% Guidelines? Ms. Chen responded no.

Ms. Lee asked how were the Guidelines adopted? Ms. Chen responded that the Guidelines were initially adopted by the MTA Board in 1998 along with six other revisions, which were approved at a large hearing. Ms. Lee asked if there are local sources of funds for bicycle projects? Ms. Chen responded that bicycle projects have been funded through the TE and CMAQ programs for the past few years.

Mr. Gonzalez asked if this affects the use of Local Return funds for bike paths? Ms. Chen responded no.

Mr. Stevens asked what is purpose of revising the Guidelines? Ms. Chen responded that the purpose is to ensure that the Guidelines reflect legal opinion.
Mr. Maselbas asked if it is true that the language in the Ordinance does not support some of the uses? Ms. Chen responded that this is true for the specific portion of the Ordinance that applies to PC 25%.

Mr. Stevens asked if the questions and comments will be included in the report? Ms. Chen responded that she will report the questions and comments to Executive Management.

13. Inter-County Agreements for Optimizing Use of Federal Highway Apportionments Within the SCAG Region (Patricia Chen, MTA)
   Item deferred to April.

14. CTC Update (Patricia Chen, MTA)
   Ms. Chen did not report. Written report was distributed to TAC members via e-mail on March 3, 2012.

15. Congestion Mitigation Fee (Robert Calix, MTA)
   Item deferred to April.

16. Other Business
   No new business was reported.

17. Adjournment
   Ms. Pan announced that the next TAC meeting is scheduled for April 4, 2012 in the William Mulholland Conference Room, 15th floor. If you have questions regarding the next meeting, please contact Matthew Abbott at (213) 922-3071 or email abbottm@metro.net.
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Attachment 4

January Board Report – Item #8
PLANNING AND PROGRAMMING COMMITTEE
JANUARY 18, 2012

SUBJECT: INTER-COUNTY AGREEMENTS FOR OPTIMIZING USE OF FEDERAL HIGHWAY APPORTIONMENTS WITHIN SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REGION

ACTION: APPROVE RECOMMENDATION THAT WOULD MAXIMIZE USE OF FEDERAL APPORTIONMENTS WITHIN REGION

RECOMMENDATION

Authorize the Chief Executive Officer (CEO) to negotiate and execute agreements with other Regional Transportation Planning Agencies (RTPAs) within the Southern California Association of Governments (SCAG) region (similar to the draft agreement shown in Attachment A), which would allow parties to borrow, lend, or exchange federal apportionments to maximize their use and minimize federal apportionment rescissions within the SCAG region.

ISSUE

Timely-use-of-funds language in federal apportionment acts and state laws can result in the rescission of federal apportionments when they are not used within the applicable deadlines. By making arrangements with each other, the programming agencies within the SCAG region will be better able to minimize the assessment of rescission penalties in our region. Board authority is required for the LACMTA to enter into such arrangements.

DISCUSSION

LACMTA staff has been meeting with staff from the Orange County Transportation Authority (OCTA), Riverside County Transportation Commission (RCTC), San Bernardino Association of Governments (SANBAG), and Ventura County Transportation Commission (VCTC) [the RTPAs within the SCAG region] and SCAG over the last year to discuss our positions on state policies regarding flexible federal highway funding and to develop strategies for maximizing the amount of apportionments that are utilized within the SCAG region. One tool that the agencies would like to use to provide all with flexibility in delivering our programs of projects from year-to-year and between RTPAs in
the SCAG region is the ability to exchange or borrow and lend apportionment among the agencies.

To respond rapidly on an as-needed basis, an agreement similar to the draft in Attachment A is recommended to establish the general terms under which the transactions could be structured. To execute individual transactions, side letters would be entered into specifying parameters such as the type and amount of apportionment and the year of repayment.

We have proposed to move forward and enter into a formal agreement with OCTA first. As other counties might decide to follow suit later, our recommendation would enable us to do so within the SCAG region.

**Optimizing Federal Apportionments**

Federal and state policies encourage RTPAs to keep federal apportionment balances low. These policies can make it difficult for regions to accumulate enough apportionments to implement larger projects. The policies also create risk of loss of federal apportionments when a project is delayed such that the region is unable to use up its apportionments on time. By making arrangements with each other, the RTPAs in the SCAG region may be able to increase opportunities to accumulate federal apportionments for larger projects and decrease the risk of loss of such apportionments to other areas of the state due to project delays.

Federal transportation apportionments are distributed annually to the states based on formulas determined in Safe, Accountable, Flexible and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) and other federal transportation authorizations. The federal government typically apportions these federal funds to state governments. Some of the apportionments are further sub-divided by Caltrans pursuant to state and federal laws and policies. The pass-through apportionments are made under multiple funding programs, including the Congestion Mitigation and Air Quality Improvement Program (CMAQ) and the Regional Surface Transportation Program (RSTP). Some funds, such as CMAQ, carry more restrictive requirements, while other funds, such as RSTP, can be used more flexibly, for varying types of highway projects, as well as transit projects.

**Rescission.** Federal and state governments have apportionment rescission policies to ensure timely use. On the federal level, the FHWA occasionally rescinds apportionments that have accumulated with the states to keep apportionment balances from accumulating to double or triple the size of a single year’s apportionment. In California, these rescissions are passed on to regions that have unobligated apportionment balances. Also at the state level, under policies developed pursuant to AB 1012, regions may accumulate annual apportionments over multiple years. However, AB 1012 does not protect apportionments from federal rescissions.
Apportionment Exchanges. From time to time, an RTPA may wish to exchange federal apportionments. For example, an RTPA may want to exchange CMAQ for RSTP to accumulate enough RSTP funds to implement a large project that is eligible for RSTP and is not eligible for CMAQ. To accommodate this, we have drafted the agreement in Attachment A to include provisions for apportionment exchanges, as well as loans.

FINANCIAL IMPACT

Approving the agreement and allowing LACMTA staff to enter into apportionment arrangements with OCTA and other RTPAs in Southern California will help us to utilize our federal funds more fully, mitigate the impact of rescissions, and provide us flexibility in delivering our large and complex program of projects. Approving the recommendation in this report does not impact the LACMTA FY 2012 Budget, but it is intended to have a positive impact on future-year budgets by making more funding potentially available for projects in Los Angeles County, including for LACMTA-sponsored projects.

DETERMINATION OF SAFETY IMPACT

The policy change recommended in this report would have no impact on safety.

ALTERNATIVES CONSIDERED

We considered seeking Board authority for individual apportionment arrangements as needed. However, it may sometimes be necessary to act quickly when a project falters and a federal or state deadline to obligate is looming. Therefore, we are seeking Board authority for an agreement containing the general terms for conducting loans and exchanges. Actual arrangements then can be rapidly executed by the CEO or his designee using form letters, as provided in the agreement, to specify the financial parameters and payback deadlines.

NEXT STEPS

With LACMTA Board approval of our recommendation in January and OCTA Board approval anticipated in February, we will proceed to finalize negotiations with OCTA and execute the agreement. LACMTA, as well as OCTA, will monitor our progress in obligating our federally-funded projects. Actual arrangements could be entered into as early as the federal fiscal year that started October 1, 2011.

ATTACHMENTS

A. Draft Agreement between Orange County Transportation Authority and Los Angeles County Metropolitan Transportation Authority for Optimizing Federal Apportionments
AGREEMENT NO. C-1-3014

BETWEEN

ORANGE COUNTY TRANSPORTATION AUTHORITY

AND

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

FOR

MANAGEMENT OF FEDERAL APPORTIONMENTS

THIS AGREEMENT ("Agreement") is effective this ___ day of ___________ 2011, by and between the Orange County Transportation Authority (hereinafter referred to as "AUTHORITY") and the Los Angeles County Metropolitan Transportation Authority (hereinafter referred to as "LACMTA") (hereinafter referred to collectively as "PARTIES" and individually as "PARTY").

RECITALS:

WHEREAS, federal transportation funds are distributed annually to the states based on formulas determined in Safe, Accountable, Flexible and Efficient Transportation Equity Act: a Legacy for Users ("SAFETEA-LU") and other federal transportation authorizations; and

WHEREAS, the federal government typically apportions these federal funds to state governments ("Apportionment"). The Apportionments are made under multiple funding programs, such as the Congestion Mitigation and Air Quality (CMAQ) Improvement Program and the Regional Surface Transportation Program (RSTP). Some funds, such as CMAQ, carry more restrictive requirements, while other funds, such as RSTP, are more flexible; and

WHEREAS, the federal and state governments have Apportionment management policies to ensure the timely use of funds. Apportionments that are not used in a timely manner can be rescinded; and

WHEREAS, the FHWA occasionally rescinds Apportionments that have accumulated with the states to keep Apportionment balances from exceeding yearly Apportionments. In California these rescissions are passed on to County
Transportation Commissions or Metropolitan Planning Organizations ("Regions") that have unobligated Apportionment balances; and

WHEREAS, State policy developed pursuant to AB 1012 allows Regions to accumulate annual apportionments over multiple years. However, AB 1012 does not protect Regional apportionments from Federal rescissions; and

WHEREAS, federal and state policies encourage Regions to keep Apportionment balances low, as well. This can make it difficult for regions to accumulate enough Apportionment to implement larger projects. This also creates risk of loss of federal Apportionment when a project is delayed such that the Region cannot use up its Apportionment on time. By lending and borrowing Apportionments to each other, Regions may be able to increase their opportunities to accumulate Apportionment when needed and decrease the risk of loss of Apportionment when a project is delayed; and

WHEREAS, from time to time a Region may wish to exchange federal funds, for example, exchanging CMAQ funds for RSTP funds in order to accumulate enough RSTP funds to implement a large project which is eligible for RSTP funds and is not eligible for CMAQ funds; and

WHEREAS, the Southern California Association of Governments ("SCAG") area ("SCAG Area") includes the service areas of the AUTHORITY and LACMTA, the Riverside County Transportation Commission, San Bernardino Associated Governments, and Ventura County Transportation Commission (southern California region). These five Regions have undertaken to work together with SCAG to develop a regional obligation plan to manage Apportionments and ensure timely and flexible obligation of federal funds in the SCAG Area; and

WHEREAS, PARTIES desire to enter into a formalized agreement, with the ability to quickly enter into letter agreements by and between the PARTIES to loan or exchange unused Apportionments with payback provisions with each other as needed. The remaining Regions in the SCAG Area are not ready to enter into a formal agreement at this time, but are continuing to meet with the PARTIES to share and discuss Apportionment information; and

WHEREAS, this Agreement defines the specific process between the PARTIES to execute loans or exchanges of federal funds to maximize use of and avoid the loss of Apportionments for the SCAG Area; and

WHEREAS, the AUTHORITY's Board of Directors approved this Agreement on ________________; and

WHEREAS, the LACMTA's Board of Directors approved this Agreement on ________________; and
NOW, THEREFORE, it is mutually understood and agreed by PARTIES as follows:

ARTICLE 1. COMPLETE AGREEMENT

A. This Agreement, including any exhibits and documents incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the terms and conditions of this Agreement between PARTIES concerning the process for maximum use of federal Apportionments in the SCAG Area. The above-referenced Recitals are true and correct and are incorporated by reference herein.

B. Any PARTY's failure to insist on any instance(s) of the other PARTY's and/or PARTIES performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or relinquishment of the original PARTY'S right to such performance or to future performance of such term(s) or condition(s), and all PARTIES' obligation(s) in respect thereto shall continue in full force and effect. Any changes to this Agreement shall not be binding upon the PARTIES except when specifically confirmed in writing by an authorized representative of each PARTY by way of a written amendment to this Agreement and issued in accordance with the provisions of this Agreement.

ARTICLE 2. RESPONSIBILITIES OF PARTIES

A. PARTIES agree to work together toward the overall goal of ensuring timely obligation of federal funds in the SCAG Area. PARTIES agree to work together toward the following specific objectives: 1) minimize Apportionment rescissions; 2) maximize available Apportionment for larger projects; and 3) provide flexibility in delivering transportation projects, such as through enabling regions to accumulate flexible RSTP funds for projects not eligible for CMAQ. The ability to enter quickly and flexibly into loans and exchanges of federal funding will assist the PARTIES in pursuing these objectives.

B. The PARTIES agree to work together to manage federal funding received under SAFETEA-LU and other future federal transportation authorizations.

C. PARTIES may use the following process to carry out the objectives of Section A. of this Article:

PARTIES may collectively prepare and discuss draft obligation plans by every January 1, February 1, and March 1, or as early in the year and as frequently as possible, depending on state and federal schedules for announcing apportionments, program guidelines, etc.

PARTIES may develop a regional obligation plan with the other Regions in the SCAG Area to ensure timely obligation of federal funds in the SCAG Area.

D. PARTIES desiring to loan or exchange Apportionments shall use separate
Attachment A

letter agreements to define the specific parameters, such as the dollar amount, fiscal year, and type(s) of funds to be exchanged or loaned, as follows:

1. PARTIES desiring to exchange Apportionments, such as when necessary to accumulate flexible funding for a project, shall enter into a separate letter agreement in the form of Attachment A between the appropriate PARTIES to establish the specific parameters of each exchange and direct Caltrans to make the necessary transactions to implement the exchange.

2. PARTIES desiring to loan and borrow any unused Apportionments, between fiscal years shall enter into a separate letter agreement in the form of Attachment B between the appropriate PARTIES to establish the specific parameters of each loan and direct Caltrans to make the necessary transactions to implement the loan.

E. PARTIES shall comply with all federal, state and local laws and regulations.

F. PARTIES shall process any required Regional Transportation Improvement Program (“RTIP”) amendments if required to complete the contemplated action.

**ARTICLE 3. DELEGATED PARTIES**

The actions required to be taken by the PARTIES in the implementation of this Agreement are delegated to their respective Chief Executive Officers or their designees.

**ARTICLE 4. MUTUAL TERMS AND CONDITION:**

The PARTIES agree to the following mutual terms and conditions:

A. Either PARTY or both PARTIES may withdraw themselves from this Agreement after giving thirty (30) days written notice to the other PARTY, provided the withdrawing Party has no outstanding loans with any other party. Once all outstanding loans are repaid, the Party desiring to withdraw may provide written notice and upon the 30th day, such withdrawing party shall be released from this Agreement. During such 30 day period, the withdrawing Party cannot enter into any loans.

B. This Agreement may be amended in writing at any time by the mutual consent of both PARTIES. No amendment shall have any force or effect unless executed in writing by both PARTIES.

C. The persons executing this Agreement on behalf of the PARTIES warrant that they are duly authorized to execute this Agreement on behalf of said PARTIES and that, by so executing this Agreement, the PARTIES are formally bound to the provisions of this Agreement.

D. All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said
notices in person or by depositing said notices in the U.S. mail; return receipt requested, and addressed as follows:

To LACMTA:
One Gateway Plaza
Los Angeles, CA 90012
Attention: David Yale
Tel: (213) 922-2469
E-mail: yaled@metro.net

To OCTA:
Orange County Transportation Authority
550 South Main Street
P.O. Box 14184 Orange, CA 92863-1584
Attention: Adriann Cardoso
Tel: (714) 560-5915
E-mail: acardoso@octa.net

E. The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not part of and not intended to govern, limit or aid in the construction or interpretation of any terms or provision thereof.

F. The provisions of this Agreement shall bind and inure to the benefit of each of the PARTIES and all successors or assigns of the PARTIES.

G. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder to this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

H. This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed an original and all of which together shall constitute the same agreement. Facsimile signatures will be permitted.

I. In the event that there is any legal court (e.g., Superior Court of the State of California, County of Los Angeles, or the U.S. District Court for the Central District of California) proceeding between the parties to enforce or interpret this Agreement, to protect or establish any rights or remedies hereunder, the prevailing party shall be entitled to its costs and expenses, including reasonable attorney's fees.

J. Neither Party nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or committed to be done by the Party under or in connection with any loans or exchanges made or accepted by a Party, its officers, agents, employees, contractors and subcontractors under this Agreement. Each Party shall fully indemnify, defend and hold other Parties, and their officers, agents and employees harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily
injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, any legal fees and any claims for damages of any nature whatsoever arising out of any loan or exchange made hereunder, including without limitation: (i) use of the borrowed or exchanged Funds by Party accepting the loan, or its officers, agents, employees, contractors or subcontractors; (ii) breach of a Party’s obligations under this Agreement; or (iii) any act or omission of a Party, or its officers, agents, employees, contractors or subcontractors in the performance of the work or the provision of the services funded with a loan or exchange made hereunder.

K. Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, acts of a public enemy, and government acts beyond the control and without fault or negligence of the affected party. Each party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this Agreement.

L. This Agreement shall be effective upon execution by all PARTIES.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK
IN WITNESS WHEREOF, the PARTIES hereto have caused this Agreement No.C-1-3014 to be executed on the date first above written.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: ___________________________  By: ___________________________
   Arthur T. Leahy
   Chief Executive Officer

ORANGE COUNTY TRANSPORTATION AUTHORITY

By: ___________________________
   Will Kempton
   Chief Executive Officer

APPROVED AS TO FORM:
Andrea Sheridan Ordin
County Counsel

By: ___________________________

APPROVED AS TO FORM:
Kennard R. Smart, Jr.
General Counsel

By: ___________________________

Dated: _______________________

APPROVAL RECOMMENDED:

By: ___________________________
   Kia Mortazavi
   Executive Director, Development

Dated: _______________________

Mr. Denix Anbiah, Chief
Division of Local Assistance
Department of Transportation
1120 N Street, MS 1
Sacramento, CA 95814

Attention: John Flores
Office of Resource Management and STIP Coordination

Subject: FY ______ Apportionment Exchange Letter Agreement between the ___________________________ and the ___________________________

Dear Mr. Anbiah:

This letter sets forth an agreement between ________ (the "CMAQ Exchanger") and ________ (the "RSTP Exchanger") regarding the CMAQ Exchanger's exchange of CMAQ Apportionment with the RSTP Exchanger in return for RSTP Apportionment (the "Exchange"). By signing below, the CMAQ Exchanger agrees to provide $_______ in CMAQ Apportionment (the "CMAQ Exchange Amount") to the RSTP Exchanger and in exchange by signing below the RSTP Exchanger agrees to provide $_______ in RSTP Apportionment (the "RSTP Exchange Amount") to CMAQ Exchanger. The Exchange requires the Department of Transportation's ("Caltrans") cooperation to implement the terms of this agreement. This Letter Agreement is entered into pursuant to that certain Agreement Number C-1-3014, as amended from time to time, and the terms and conditions of which are incorporated herein by reference.

The CMAQ Exchanger is in need of RSTP Apportionment for Federal Fiscal Year ______________. Therefore, RSTP Exchanger hereby authorizes and directs the Caltrans to program the RSTP Exchange Amount to the CMAQ Exchanger for Federal Fiscal Year ______________ and CMAQ Exchanger hereby authorizes and directs Caltrans to program the CMAQ Exchange Amount to the RSTP Exchanger for Federal Fiscal Year ______________.

The PARTIES shall amend the Federal State Transportation Improvement Program (FSTIP) to reprogram the Apportionments to be exchanged hereunder. The PARTIES hereby direct Caltrans to adjust the CMAQ Exchanger's and RSTP Exchanger's apportionment targets to reflect the RSTP Exchange Amount and the CMAQ Exchange Amount described herein ("Target Adjustments").
This exchange will be considered final upon full execution of this Letter Agreement. No change in the CMAQ Exchange Amount or the RSTP Exchange Amount will be made after the Target Adjustments unless approved in writing by the parties hereto.

We appreciate this opportunity to exchange apportionments and support our regional transportation partners. If you have any questions, please contact ______ of CMAQ Exchanger at ( )-____, or ______ of RSTP Exchanger at ( )-____.

Sincerely yours,

CMAQ Exchanger:
[Insert Agency here]

By: ___________________________ date
[Insert Name here]
[Insert Title here]

RSTP Exchanger:
[Insert Agency here]

By: ___________________________ date
[Insert Name here]
[Insert Title here]

cc: Rachel Falsetti, Division Chief, Transportation Programming
Muhaned Aljabiry, Office Chief, Federal Transportation Management Program
_________________, District Local Assistance Engineer, District__
_________________, District Local Assistance Engineer, District__
Rosemary Ayala, Southern California Association of Governments
[Insert date here]

Mr. Denix Anbiah, Chief  
Division of Local Assistance  
Department of Transportation  
1120 N Street, MS 1  
Sacramento, CA 95814

Attention: John Flores  
Office of Resource Management and STIP Coordination

Subject: FY ______ Apportionment Loan Letter Agreement between the ____________________________________________ and the ____________________________________________

Dear Mr. Anbiah:

This letter sets forth an agreement between __________ (the “Lending Agency”) and __________ (the “Borrowing Agency”) regarding Lending Agency’s loan of Apportionment to Borrowing Agency. By signing below, the Lending Agency agrees to provide $__________ in [enter source of funds] (the “Apportionment Loan”) to the Borrowing Agency in FFY ______ and, by signing below, the Borrowing Agency agrees to accept the Apportionment Loan and agrees to repay Lending Agency as set forth herein. The Apportionment Loan requires the Department of Transportation’s (“Caltrans”) cooperation to implement the terms of this Letter Agreement. This Letter Agreement is entered into pursuant to that certain Agreement Number C-1-3014, as amended from time to time, the terms and conditions of which are incorporated herein by reference.

The Lending Agency hereby authorizes and directs Caltrans to program $__________ in [enter source(s) of funds] to the Borrowing Agency in FFY ______. To repay Lending Agency, the Borrowing Agency hereby authorizes and directs Caltrans to program $__________ in [enter source(s) of funds] to the Lending Agency in FFY ______.

PARTIES shall amend the Federal State Transportation Improvement Program (FSTIP) to reprogram the Apportionment to be loaned hereunder from the Lending Agency to Borrowing Agency and to reprogram the Apportionment from Borrowing Agency to Lending Agency to repay the loaned Apportionment. Caltrans shall adjust the Lending Agency’s and Borrowing Agency’s apportionment targets to reflect both the Apportionment Loan and the repayment described herein.

It is understood that Borrowing Agency, at its discretion, may prepay any part or all of the Apportionment Loan. Caltrans shall adjust the Apportionment targets to implement
prepayment upon 30 days' written notice by the Borrowing Agency to Caltrans and the Lending Agency. The Apportionment Loan shall not accrue any interest.

If there should be a federal rescission of all or any portion of the apportionment that is the subject of this loan within 120 days from the date of this Letter Agreement (the "Rescission) and if the Borrowing Agency should have an unobligated balance of Apportionment at the time of the Rescission, PARTIES shall amend this letter such that the amount borrowed and Borrowing Agency's repayment obligation shall be reduced by a proportionate amount, calculated as the amount of the Rescission to Borrowing Agency times a percentage equaling the remaining unobligated apportionment balance borrowed hereunder divided by the total amount of unobligated [enter source of funds of apportionment] apportionment held by Borrowing Agency at the time of the Rescission.

We appreciate this opportunity to loan apportionment and support our regional transportation partners. If you have any questions, please contact ______ of Lending Agency at ( ) ___-___, or ______ of Borrowing Agency at ( ) ___-___.

Sincerely yours,

CMAQ Exchanger:
[Insert Agency here]

By: ____________________________ date
[Insert Name here]
[Insert Title here]

RSTP Exchanger:
[Insert Agency here]

By: ____________________________ date
[Insert Name here]
[Insert Title here]

cc: Rachel Falsetti, Division Chief, Transportation Programming
Muhaned Aljabiry, Office Chief, Federal Transportation Management Program
__________________, District Local Assistance Engineer, District__
__________________, District Local Assistance Engineer, District__
Rosemary Ayala, Southern California Association of Governments