

GATEWAY CITIES COUNCIL OF GOVERNMENTS TRANSPORTATION COMMITTEE AGENDA

Chair – Diane DuBois, MTA Director

September 2, 2009, 4:30 PM
Gateway Cities COG Offices
16401 Paramount Blvd.
Paramount, CA

Item No.	Description	Recommended Action
I.	Call to Order – Self Introductions	
II.	Pledge of Allegiance	
III.	Meeting Minutes (minutes will be distributed under separate cover)	Approval
IV.	Reports:	
1.	Metro Gold Line Eastern Extension – Phase II MTA Staff – Gerry Alvarez, Tam Nguyen - Presentation	Discussion/Action
2.	Draft Measure R Local Return Guidelines - Presentation	Discussion/Action
3.	2009 MTA Call for Projects – Oral Update	Discussion/Action
4.	MTA Long Range Transportation Plan - Update	Discussion/Action
5.	Measure R Local 3% Contribution Policy	Discussion/Action
6.	California High Speed Rail Authority Report Alex Clifford	Receive & File
7.	Gateway Cities Service Sector Report Dana Coffey, General Manager Gateway Cities Service Sector	Receive & File
8.	Update – I-5 JPA	Receive & File
9.	Update – I-710 EIR/EIS	Receive & File

Transportation Committee Agenda
(Continued)

10. Update – SR 91/I-605/I-405 Major Corridor Study Receive & File
11. Update – Orangeline Development Authority Receive & File
12. New Business/Date of Next Meeting
13. Adjournment

IN COMPLIANCE WITH THE AMERICAN WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE COG OFFICE AT (562) 663-6850. NOTIFICATION 48 OURS PRIOR TO THE MEETING WILL ENABLE THE COUNCIL OF GOVERNMENTS TO MAKE REASONABLE ARRANGEMENT TO ENSURE ACCESSIBILITY TO THIS MEETING.

Item III

Approval of Minutes for the Meeting of July 1, 2009 and August 5, 2009

**(minutes will be distributed under
separate cover)**

IV. Reports
Item 2

Draft Measure R Local Return
Guidelines

Transportation Committee Agenda of
September 2, 2009

TO: Transportation Committee
FROM: Diane DuBois, Director – MTA
BY: Karen Heit, Transportation Deputy
SUBJECT: Draft Measure R Local Return Guidelines

Issue

Measure R included 15% of the total tax receipts to be returned to the cities as “Local Return”. Unlike Propositions A & C, Local return for Measure R is more flexible for use in funding street repairs and all transportation modes. The attached PowerPoint presentation outlines the Draft Guidelines.

Attachment

Draft Measure R Local Return Guidelines

IV. Reports
Item 4
MTA Long Range Transportation
Plan Update

Transportation Committee Agenda of
September 2, 2009

TO: Transportation Committee
FROM: Diane DuBois, Director – MTA
BY: Karen Heit, Transportation Deputy
SUBJECT: MTA Long Range Transportation Plan Update

Issue

Update on the adoption of the 2009 MTA Long Range Transportation Plan (LRTP) and the incorporation of Measure R projects.

Background

The MTA had proposed adoption of a Long Range Transportation Plan (LRTP) without a fully comprehensive highway element that included schedules and funding for the new Measure R highway projects. The MTA Board voted to delay LRTP adoption until September to allow for the highway element to be articulated with schedules and funding plans for the Measure R highway commitments.

In response to the Board direction, MTA staff convened a Measure R Highway Advisory Committee inviting the COGs and other interested stakeholders to assist with the development of the highway element. The group has been meeting weekly to develop the highway element. Gateway Cities has been represented by Lisa Rapp, Director of Public Works, from the City of Lakewood. Rapp has submitted implementation schedules for the Gateway Cities Initiatives (SR-91/I-605/I-405 Hot Spots and the I-710 Early Action Projects). She has asked the MTA to include programming for I-5 enhancements and construction mitigations. She has also participated in policy discussions that will help resolve issues impacting other sub-regions.

The implementation schedules, developed by COG Engineer Jerry Wood, reflect optimum project delivery using the assumption that the \$590 million in Measure R funds allocated to each project represents the local match for state and federal highway funds. The MTA is using the financial forecast model to create a funding plan that will enable the projects to move forward. The Committee has asked that bonding for projects be a funding mechanism of last resort as bonding reduces the amount of project funding. The use of bond revenues requires analysis of the trade-off between the benefit of bonding and moving the projects forward with the cost of financing.

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Highway Issues/Status:

Issue	Status
Lack of a highway funding plan for the LRTP and Measure R projects: this jeopardizes federal money as the projects are not planned out to be included in the LRTP Constrained element.	MTA Staff is generating a highway funding plan, the first run was limited to Measure R dollars.
What do the Measure R dollars leverage? Much of the State hwy eligible funding is matching federal transit and Measure R dollars.	There is an unpredictability in state funding due to the never-ending budget situation, however, much of the identified funding is pledged to match transit infrastructure projects leaving hwy projects with major shortfalls. The Measure R hwy projects total \$22 billion, while funding is limited to \$2.9 billion. MTA staff is working towards identifying funds to match the hwy projects.
Gateway projects – Measure R are: <ul style="list-style-type: none"> • I-605 Hot Spots - \$590 million • I-710 Early Action - \$590 million The original allocation for the LRTP assumed only the Measure R funds without other state/local/federal funds to match. This was not acceptable and MTA staff was tasked with leveraging dollars	Leverage potential for GCCOG projects (assuming 80% federal/state - 20% local match Measure R) <ul style="list-style-type: none"> • I-605 Hot Spots - \$2.95 billion • I-710 Early Action \$3 billion I-710 Early Action The I-605 estimate is for all potential identified projects. The I-710 estimate is for a portion of the projects that can be completed <small>(estimates provided by Jerry Wood)</small>
What is the thought and strategy for federal highway earmarks and allocation.	MTA staff explained the earmark process and the expected amounts from earmarks. They also outlined potential for projects of national significance and the discussions concerning a Freight Trust Fund (Attachment)
Air Quality Conformity – It is not clear how the MTA planned to present a balanced transportation plan for SCAG air quality conformity analysis without a balanced highway element	Dates for the highway projects should provide a foundation for AQ analysis.

The MTA also outlined the beginnings of a federal strategy for increasing highway funding. This strategy is included as Attachment A.

GCCOG staff and the public works directors will continue to monitor and provide input on the development of the highway element through Lisa Rapp.

Attachment

Metro Strategy for Increased Highway Funding for Los Angeles County.

Attachment A

Metro Strategy For Increased Highway Funding for Los Angeles County

The Federal Highway Act of 1956 (P.L. 84-627) established formula grant programs to distribute Federal surface transportation funds to States. Metro secures a vast majority of its funds through these formula programs through Caltrans and decisions rendered by the California Transportation Commission.

There are a number of opportunities which we are aggressively advancing and supporting to increase the amount of federal funds for highways in Los Angeles County that could be delivered through the next generation federal surface transportation bill.

1. Legislative Earmarks: Consistent with our existing Long Range Transportation Plan and Measure R, we are seeking legislative earmarks in the new surface transportation bill being considered by the 111th Congress.

Status: Pending Congressional Action on Reauthorization Bill. Metro has submitted our list of highway projects with all relevant House members in Los Angeles County and our U.S. Senators.

2. Increase Overall Size of the New Federal Surface Transportation Bill: Consistent with the reauthorization principles adopted by the Board in April of 2009, Metro is encouraging Congress to adopt a bill with robust funding. Metro has been supporting the blueprint issued by Chairman Oberstar of the House Transportation & Infrastructure Committee – which provides \$450 billion for an overall six year authorization bill – with \$337.4 billion for highway investments.

Status: Pending Congressional Action on Reauthorization Bill. Metro has been working with the House Ways and Means Committee and the Senate Finance Committee to express our support for a bill with a large federal investment for transportation. Specifically, we are engaged with Los Angeles County Congressional Delegation member Representative Xavier Becerra, who is a senior member of the Ways and Means Committee and a member of Speaker Pelosi's leadership team.

3. Supporting The Creation of New Programs For Metropolitan Areas That Could Increase Highway Funding: Metro has been supportive of the creation, now outlined in Chairman Oberstar's bill, of a new fund specifically tailored to address mobility and access in metropolitan areas. The funding would be mode-neutral and discretionary, allowing Los Angeles County to submit congestion relief plans to the U.S. Department of Transportation that could include congestion-reducing highway projects.

Status: The Oberstar bill has set-aside \$50 billion for the Metropolitan Mobility and Access program. As written, the program would provide funding to Los Angeles County through multi-year financing agreements to implement a metropolitan mobility plan. It would be fair to conclude that highway projects would be a part of this prospective plan.

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4. Supporting The Creation Of A New Goods Movement Fund To Pay For Major Highway Projects Impacted By The Movement Of Freight In Los Angeles County:

Consistent with the reauthorization principles adopted by the Board in April of 2009, Metro is encouraging Congress to create dedicated programs to address the goods movement challenges facing Los Angeles County. We are supportive of the following core program in the Oberstar authorization bill that could increase the amount of highway funding received annually by our agency.

- The Projects of National Significance: would provide \$25 billion over six years for high-cost transportation projects, including highway projects, which would be of national significance to our nation's surface transportation system. Projects would be selected, not by earmarking, but through a competitive selection process – which benefits our region because of our severe congestion. Among the factors that would be considered are: project's impact on the national economy, mobility benefits and safety improvements.
- Creation of a new formula grant program for funding freight and goods movement projects – which could include highway projects. States would receive the formula dollars based on the revenue – to be determined – of this new Trust Fund.

Status: Pending Congressional Action on Reauthorization Bill. Metro has been working with relevant House and Senate committees to express our support for a bill which includes a new PNS program and a new Trust Fund for freight movement-related projects.

5. Support modifications to the formulas that allocate Federal funds through the State Transportation Improvement Program (STIP). Many of the Federal funds received by the state are allocated through the STIP. Metro has long maintained that these formulas are outdated and should be modified. Formulas which could be changed include the calculation of total lane miles instead of centerline miles and modification of the north/south split.

Status: Metro's Legislative Program includes support for changes to the formulas that allocated funds in an inequitable manner. Many of these changes will need regional consensus and, aggressive, bi-partisan efforts locally and in Sacramento.

6. Support increased allocation of maintenance funds to Los Angeles County. Highway maintenance funds are allocated through the State Highway Operation and Protection Program (SHOPP). These funds are allocated "off-the-top" of the State Highway Account before funds are allocated to the STIP. The maintenance needs of the state highway system have grown significantly. As SHOPP allocations have increased, STIP allocations have decreased.

Status: In order to gain a larger share of highway funds from this program Metro has undertaken a practice of increasing advocacy for SHOPP funds at the CTC. For example, we were recently successful in working with Caltrans to secure funds for major improvements to the 710 Freeway.

7. Seek proportional representation on the California Transportation Commission. Los Angeles County currently holds two seats on the 11 member CTC. It would be appropriate to seek increased representation on the CTC as seats become available.

Status: Metro staff monitors the availability of appointments to the CTC and will continue to look for opportunities to increase representation.

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IV. Reports
Item 5
Measure R Local 3% Contribution
Policy

Transportation Committee Agenda of
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TO: Transportation Committee
FROM: Diane DuBois, Director – MTA
BY: Karen Heit, Transportation Deputy
SUBJECT: Measure R Local 3% Contribution Policy

Issue

The MTA is circulating the Draft Measure R 3% Local Contribution Policy for comment. Once adopted this Policy will be applied to Measure R transit projects.

The Measure R Expenditure Plan assumes a 3% Local Funding contribution for all Rail Projects. For Gateway Cities, there are two transit projects that would require a local match under the Draft Policy. They are the Metro Gold Line Eastside Extension (currently in the Alternatives Analysis process) and the West Santa Ana Branch (Orangeline project).

The adopted Measure R Expenditure Plan implied an expectation for a 3% Local Funding contribution for highway projects although the contribution is listed as “To be determined”. The MTA Draft Policy does not recommend the 3% contribution for highway projects as there is little local benefit from a highway improvement other than the general reduction in congestion or safety improvements that all highway users enjoy. By contrast, there are studies validating economic benefit from transit lines that helps rationalize the Policy.

The 3% Local Contribution Policy includes the following:

1. For rail and busway projects MTA expects local jurisdictions (cities and the County of Los Angeles) adjacent to a future rail or busway line to contribute 3% of the total project cost including any financing, environmental, design and construction costs.
2. The 3% is to be based on a project cost estimate established at the completion of Preliminary Engineering when MTA adopts a project funding plan.
3. MTA will require the local commitment prior to adoption of the a project funding plan.
4. If the commitment is not made, MTA may defer the timing of the project, build a shorter segment or down-scope the project to fit within the available funding.
5. Local jurisdictions will not be responsible for project cost increases after the project funding plan or funding agreement is signed. If the project comes in under budget, the savings will be passed on to the local jurisdiction.

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6. Where more than one jurisdiction is adjacent to the project MTA will ask the sub-regional councils of governments (COGs) to assist with determining each jurisdiction's appropriate share. Suggested methodologies include assigning proportional shares according to miles within any jurisdiction or using a ¼ mile radius around a transit station.
7. Local contributions can be in the form of cash or real estate required for the project.

Policy points 1-3 define the contribution; Policy point 4 dictates the consequences if the jurisdiction does not make the local contribution. The consequences may include project delay or project down-scoping.

This proposed consequence may not be consistent with the Measure R Ordinance. The Ordinance provides controls for Measure R funds only. Deferring the implementation of the project (beyond the expected completion date) or down-scoping of the project may trigger the amendment process that requires a two-thirds vote of the MTA Board and a one-year notification to the State legislature. The Ordinance does not contain any language placing limits on the use of other funds. A legal opinion is required to address whether the suggested consequences can actually be imposed on jurisdictions.

Policy point 6 needs more definition to limit the contribution to portions of the rail line that actually provide benefit to a local jurisdiction. There are studies that validate benefit from a transit station to the local economy and a contribution may be justified. The Draft Policy seems to indicate that existence of project miles define benefit whether there is a station or not. This point requires clarification. There is potential in Gateway Cities for a rail line to pass through a city without a station. Allocating benefit by some measurement of radius around a station may more accurately reflect a fair contribution, or no benefit and no contribution may be appropriate.

Policy point 6 also suggests that COGs assume a role in determining the assignment of the 3% share. The assumption of this role is an issue for the GCCOG Board.

The Draft Policy is silent on past contributions towards project planning (such as past Orangeline Development Authority expenditures for example). These expenditures should be considered and counted. The Policy also examines crediting parking and other features only if they are part of the project scope. A clarification is needed as to whether aesthetic enhancements to a station paid for by a jurisdiction would count towards the 3% contribution.

Attachment

DRAFT Local 3% Contribution Policy

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Recommendation

Recommend forwarding these comments to the COG Board for consideration and transmittal to the MTA Board.

DRAFT

Local 3% Contribution Policy

In order to help fully fund future transit capital projects and to implement the assumptions contained in the Measure R Expenditure Plan, Metro adopts the following policy:

MTA is not requiring local match for highway projects. The direction for a 3% local match is much clearer and more specific in the Measure R Expenditure Plan for transit projects than for highway projects. Measure R specifically states that Local funding for Rail is 3% except as noted, and actual dollar amounts for local match funding for transit projects are included in the Measure R Expenditure Plan. On the highway side, there is no separate local match funding called out for highway projects - just a "To Be Determined" amount for federal, state and local funding combined. In addition, the localized benefits of a highway improvement to an immediately adjacent city are not as clear. For example, a grade separation or carpool lane will provide significant benefits to drivers coming from many miles away not necessarily primarily from cities adjacent to the improvement.

For future rail and busway projects, MTA expects local jurisdictions (cities and the County of Los Angeles) adjacent to a future rail or busway line to contribute 3% of the total project cost including any financing, environmental, design and construction costs.

The 3% contribution will be based on a project cost estimate to be established at the completion of Preliminary Engineering when the Metro Board adopts a project funding plan. MTA will require commitments for the 3% local contribution by the appropriate local jurisdiction(s) prior to MTA adopting the project funding plan or, in the case of construction authority projects, prior to entering into funding agreements. If commitments are not made, MTA may defer the timing of the project, build a shorter segment or otherwise down scope the project to fit within the available funding. Local jurisdictions are expected to make their contribution proportionately by year over the final design and construction period.

Should the total project cost increase after the project funding plan or funding agreements are signed, MTA would not require an increase in the 3% contribution unless the cost increases are a result of project betterments requested by the local jurisdiction. In this case, local jurisdictions would be expected to pay 100% of betterment costs. MTA will, however, inform the local jurisdictions of the cost increase and any impacts on the project construction. Local jurisdictions may elect to provide additional local contribution in order to keep the project on schedule.

If the project is completed for less than the project budget, the local jurisdiction will get the savings up to their 3% contribution returned (unless federal and/or state funding sources require a proportional share payback or a match requiring a portion of these savings).

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Where more than one local jurisdiction is adjacent to the project, MTA will ask the sub-regional Council of Governments (COG) in which those local jurisdictions are located to

work with the local jurisdictions to determine each one's appropriate share of the 3%. Examples of ways COG's might consider allocating the 3% contribution include, but are not limited to: the proportion of project miles in each local jurisdiction compared to the total project length; the proportion of stations in each local jurisdiction compared to the total number of stations; the percentage of population within a quarter/half mile of each station in each jurisdiction compared to the total population with a quarter/half mile of all stations; and the proportion of total projected boardings at stations within each jurisdiction compared to total project boardings. In the event that the project alignment traverses more than one COG, MTA will first work with affected COGs to determine an appropriate split

Local contribution can be in the form of cash or real estate required for the project. Other forms of contribution can be negotiated on a case-by-case basis but must directly contribute to the project and/or the project funding. Previous expenditures towards land, parking spaces, or other features may be credited towards the 3% local contribution if they are dedicated to and considered to be part of the defined transit project scope.