

Meeting Minutes

Los Angeles County Metropolitan Transportation Authority

POLICY ADVISORY COUNCIL

Tuesday June 6th, 2017

Meeting called to order at 10:06am

Welcoming Remarks

Ms. McMillan called the meeting to order and welcomed members to the 3rd meeting of the PAC. Ms. Estolano addressed the agenda items, which included the approval of April and May meeting minutes, the presentation of the Measure M Guidelines updates by Metro staff, and the breakout sessions by constituency group (Providers, Jurisdictions, and Consumers) where members would discuss how to develop joint comments. Ms. Estolano reminded members that PAC comments to the Metro Board were to be developed by Monday, June 12th in order to be heard in committees. She added that after the breakout sessions, the PAC would reconvene to discuss the comments and the next steps moving forward.

Adoption of April Meeting Minutes

Ms. Estolano called for the adoption of the April meeting minutes. Jacki Bacharach made a motion to approve the minutes, Mark Christoffels seconded; the Council approved the minutes with no opposition or abstentions.

Updates to Measure M Guidelines – Therese McMillan

Before turning the floor over to Ms. McMillan, Ms. Estolano commended Metro staff on their work to account for the 300 public comments received, and incorporate them into the draft document.

Ms. McMillan began by identifying the attachments provided to PAC members and meeting attendees, as follows:

- Response to the PAC's report to the Board in May
- Draft Board Report and redlined copy of revised Measure M Guidelines
- Copies of the PowerPoint were not made available as they the presentation was not finalized

Ms. McMillan reiterated that Measure M is very different than Measure R; as such, it was imperative to produce a comprehensive set of guidelines that provide guidance for all aspects of the Ordinance. Ms. McMillan noted that her presentation would focus on the areas of the guidelines that generated the most comments and attention.

In terms of outreach, Ms. McMillan relayed that staff had attended 20 public meetings over the course of the 60 day review period, and received over 300 comments which, she noted, generally aligned with comments made by the PAC. The 5 categories of comments were separated as follows:

- Local Return
- ADA/Paratransit and Senior/Student Discounts
- 3% Local Contribution for Transit
- Multi-year Sub-Regional Programs
- Project Readiness/Program Eligibility

Local Return – Tim Mengle, Metro Office of Management and Budget (OMB)

Mr. Mengle relayed that for local return Metro staff recommend allocation based on resident population with no minimums. Reallocation may be pursued at the subregional level. Multi-year subregional funds may be used to supplement local return allocations, subject to eligibility according to the specific multi-year subregional program guidelines. Measure M funds can also be used as local match for cities and agencies applying for state and federal grants.

Mr. Mengle further explained that resident population is the most reliable data and is consistent with other similar sales tax measures. He relayed that a majority wanted to eliminate floors, and recommended against minimums. Sub-regional allocation amounts can be shifted to help increase funds to smaller cities, which will be facilitated through the COGs. The multi-year subregional funds can be used as supplements for local match purposes.

Mr. Mengle advised that the Transit Operations, Metro Rail Operations, and State of Good Repair sections had no significant revisions made.

For regional rail, Mr. Mengle noted that the revisions to the Guidelines reflect Metrolink comments. The methods for the evaluation of performance measures have been broadened, giving the Metro Board more flexibility to choose which measures to use in the future.

ADA/Para-transit and Senior/Student Discounts – Tim Mengle

In response to comments received from AARP, Access Services, and the Policy Advisory Council, Mr. Mengle advised that up to 10% of ADA split may be used for educational purposes. Metro is also working on marketing the expanded student/senior program as part of a comprehensive fare marketing program.

3% Local Contribution – Therese McMillan

Ms. McMillan touched on several clarifications regarding the 3% Local Contribution as follows:

- The definition of betterments is now aligned with official adopted Metro policy on betterments. As such, the Board can always amend policy in order to change the definition, if desired.
- The 3% contribution only applies to Metro rail projects, not bus-rapid transit.

- The 3% calculation occurs at the 30% final design mark, as stated in the ordinance. At this point, the project scope and budget will be defined.
- Once the contribution is determined, jurisdictions can redistribute amongst themselves as they see fit.
- Once established, the contribution will not be augmented, regardless of overall project cost increases.
- In-kind contributions are allowed as long as they are identified at the point of the 30% design.

Multi-Year Sub-Regional Programs (MSPs)

Ms. McMillan relayed that there were many, many comments on the sub-regional programs, and that changes were made to the Guidelines as a result. She proceeded to highlight a few of the changes.

Next, Ms. McMillan outlined the planning process laid out by Metro to assist with the actual development of projects funded with MSPs:

- Step 1: Metro will provide a 5-year programming funding forecast for each MSP based on the amounts provided in Measure M Expenditure Plan.
- Step 2: Subregional entities will develop a preliminary list of projects for inclusion in 5-year plan. This will need to include an active public participation process, as well as an analysis of projects submitted in mobility matrices. Metro will develop metrics to ensure that *basic* expectations are met, while leaving ample flexibility for each sub-region.
- Step 3: For each MSP, the sub-region will produce a 5-year development and implementation plan that will be reviewed and adopted by the Metro Board. This plan will identify specific projects with phasing, funding, and scheduling plans (including a final delivery commitment).
 - The final delivery commitment was added because of concern that it would be easy for all funds to be directed toward planning, and not implementation
 - Cash-flow will determine what is actually available for distribution at any time in order to successfully manage the program.
- Step 4: Upon approval by Metro board, sponsors may apply for funding consistent with the MSP procedures based on 5 year adopted plan. Funding agreements will be executed between Metro and the Project sponsor.
- Step 5: Sub-regions may update or amend 5-year plans on annual basis, reflecting project modifications, deletions, or additions of new projects. This is subject to the processes in Steps 1 & 3, with an emphasis on public participation.
- Step 6: Following Metro Board approval, Project sponsors and Metro will include sub-regions in all communications involving development and delivery.

Ms. McMillan reminded PAC members that this was a high-level framework of the steps and that there were more intricate processes that would be detailed in the administrative procedures.

Program Readiness/Project Eligibility

Ms. McMillan clarified that project readiness would be broken into separate thresholds defined by each distinct phase up to and *not limited* to construction. She advised that each program would have distinct differences in determining readiness because of requirements and regulations beyond Measure M (for example, highway funds must meet Caltrans' criteria).

In response to questions about eligibility for the Countywide BRT Program, Ms. McMillan conveyed that when Metro does a BRT study, it may recommend that BRT be developed by a jurisdiction other than Metro.

Technical/Administrative Procedures

Ms. McMillan noted that many additional details about each section of the Guidelines would be laid out in the administrative procedures. These procedures, found in Attachment D, would be completed by Metro staff within 12 months, with the exception of the Multi-Year Sub-Regional Programs procedures, which would be completed in 6 months.

Next Steps

- Per PAC request, Metro staff will compile a summary of all of the 300+ public comments received. Ms. McMillan indicated that most comments fell into categories discussed in this presentation
- PAC recommendations and comments on the revised Guidelines should be received before the Planning and Executive committee meetings, the first of which is June 14, 2017. The Board adoption of the Guidelines is on June 22, 2017.

Questions on Staff Presentation

Hilary Norton asked, regarding 3% Local Contribution, whether retrofitting transit stations eligible. Ms. McMillan responded that existing stations cannot be included in this portion.

Yvette Kirrin asked whether for anticipated stations currently being planned, if there is the ability to be retroactive based on 30% design. Ms. McMillan replied that because the project scope is determined at 30%, retroactive determination is not acceptable. Stephanie Wiggins (Deputy CEO, Metro) communicated that these requests would be handled on a case by case basis in collaboration with the jurisdiction/corridor. Kerry Cartwright noted that the Guidelines list 3 projects that are earmarked within the 2% system connectivity. He asked whether those were the only earmarked projects. Ms. McMillan replied that if there was an explicit assumption in the Ordinance about a project being funded by a particular program category, it had been identified in the referenced attachment.

Mr. Cartwright then asked whether the 12-month review periods for both the fund availability and administrative procedures listed in Attachment D ran parallel or sequential to each other. Ms. Honish clarified that all times are "from adoption."

Steve Lantz noted that there was a difference between the multi-year subregional program review period (6 months) and subregional equity fund (12 months). Ms. McMillan clarified that the sub-regional equity fund is a more “complicated” addition in terms of identification. She said it is separate because the funding sources were not identified in the Ordinance. The timeframe, therefore is extended to allow for time to identify those fund sources.

Adam Lane asked if private sector funds could count for the 3% local contribution. Ms. McMillan responded that the source of the contribution is very flexible, and that jurisdictions could use essentially any non-Measure M funds. These fund sources, she explained, would be negotiated in the agreement with the jurisdictions on a project by project basis.

Naresh Amatya reminded PAC Members that while the framework for the 5-year programs is reasonable, ultimately all projects must be included in the SCAG Long Range Plan and Transportation Improvement Program. Changes to timelines and funding must be reported to state and federal governments to avoid project delays

Ms. McMillan supplemented Mr. Amatya’s comments, advising that a new project funded solely with local fund sources completely within subregional control does not need to go through any federal process. However if any Metro, state, or federal funds are used, must comply with regulations.

Bryn Lindblad confirmed with Ms. McMillan that the Technical and Administrative Procedures will be reviewed by the PAC.

Jerard Wright (BizFed) asked whether a new line running through an existing station counts as a new station in terms of local contribution. Ms. McMillan replied that she would research and respond to the question at a later date.

The PAC broke into sessions by constituency group. Mr. Diaz asked the PAC to consider making comments that fall into one of two categories: (1) Metro staff has addressed my comment and it is fine with this minor tweak/clarification that may be addressed in the administration development process; (2) Metro staff has responded to my comment, but I have major reservations about a specific issue because the comments have either not been addressed, or the revisions have introduced a new issue.

Ms. Estolano reminded PAC members that comprehensive PAC comments were due to Metro staff by Close of Business the following Monday. She urged them to organize their processes accordingly.

PAC Responses to Metro Comments 53:35

Ms. Estolano called the meeting to order after breakout sessions. She began by asking for a motion to approve the May meeting minutes. Jacki Bacharach made a motion, and Hilary Norton seconded. With no opposition or abstention, the minutes were approved.

Ms. Estolano then commented that, from the Jurisdictions' standpoint, Metro staff had addressed most of the Members' comments. She noted that conversations with Ms. Wiggins in the breakout session cleared up much of the uncertainties and points of concern.

Mr. Diaz commented that from the Providers' perspective, their more "narrow" comments were addressed by Metro staff. He added that PAC Members either accepted or agreed with all of the clarifications Metro staff made. Mr. Diaz reminded PAC Members that comments on Metro's edits were due to PAC Officers by Friday, June 9.

Ms. Meaney explained that the Consumers' group felt a bit pressed for time, and they were only able to discuss the 3% Local Contribution and ADA/Paratransit categories in depth. She also noted that some group members were concerned that not all comments were addressed in the Metro Board Report, and that the Consumers would hold a conference call on Thursday, June 8 to discuss further.

Next Steps

Ms. Estolano then proposed a timeline for gathering all PAC Member comments and submitting a comprehensive letter to Metro (detailed below). Ms. Meaney emphasized that she wanted PAC Members to submit their own comments, or speak in front of Metro committees representing their own interests if they felt that their points of concern were "falling through the cracks." Ms. McMillan reminded the group that the PAC comment letter submitted to the Board could include both issues of agreement *and* disagreement amongst PAC members. Mr. Diaz noted that a few issues were not addressed in the letter or in the PAC discussions as a whole, which he admitted will most likely be covered in the administrative procedures. He suggested that the PAC letter include some language that reserved those issues to be addressed in future discussions.

Dalila Sotelo commented that the issues related to policy framework would most likely not be addressed in the administrative procedures. Therefore, she agreed that establishing a letter that shows consensus as well as points of interest but not consensus would be beneficial. She went on to recommend further dividing those points of interest into those that impact policy and those that impact procedure.

Ms. Estolano recommended that the letter be broken into three sections: (1) areas of consensus, (2) areas of concern without consensus, (3) further unaddressed areas raised by members of the PAC. She outlined the schedule for drafting the comment letter as follows:

- Comments to be sent to PAC Officers by PAC Members via Survey Monkey by close of business Thursday, June 8
- PAC Officers to send draft letter to PAC Members by close of business Monday, June 12
- Comments on the letter to be sent to PAC Members by 3pm on Tuesday, June 13
- Final letter to be read at committee meetings starting Wednesday, June 14

Ms. Estolano asked for a motion to approve the timeline. Mr. Christoffels made a motion to approve the timeline and Ms. Sotelo seconded. Without any opposition or abstention, the schedule passed.

Ms. McMillan outlined the next step for the PAC. The next major activity would be the Long Range Transportation Plan (LRTP). The July meeting will serve as a kickoff for this new task. At this July meeting, PAC Members will also have the opportunity to choose permanent PAC Officers, as well as to discuss the technical and administrative procedural addendums to Attachment D.

Ms. Meaney favored a July meeting, and Ms. McMillan agreed to find a date and time.

Ms. Estolano adjourned the meeting at 12:00pm.