SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

20285 S. Western Ave., #100
Torrance, CA 90501
(310) 371-7222
sbccog@southbaycities.org
www.southbaycities.org

June 12, 2017

Honorable John Fasana, Chairman
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012

Dear Chairman Fasana:

The South Bay Cities Council of Governments (SBCCOG) appreciates the opportunity to participate in the development of Measure M Guidelines and Metro's willingness to incorporate many of our recommended changes in the revised draft guidelines. First and foremost, we support Metro staff's recommendation to provide a central partnership role and funding for the COGs in development and delivery of the sub-regional programs that are specified in the Measure M Ordinance.

The revised guidelines address many of our concerns and we understand that many of the implementation details will be developed in administrative guidelines to be prepared in consultation with the Measure M Policy Advisory Committee and other stakeholders over the next year. However, because we are unclear as to which of our recommendations should be addressed in the Master Guidelines and which should be dealt with in the Administrative Guidelines, we believe that the Metro Board should be aware of our remaining concerns with the revised guidelines as currently drafted.

We have summarized the major remaining concerns in the bullets below and have attached an appendix that corresponds the comments to the appropriate Measure M Master Guidelines page. Although the guidelines have been significantly improved with respect to the explicit partnership and respective roles of Metro, Sub-regional Entities, and project lead agencies, we recommend the following further clarifications:

- Consultation with Sub-Regional Entities
  - Affected sub-regional entities must concur with proposed sub-regional boundary changes;
  - Sub-regional Entities must approve loans / transfers between Multi-Year Sub-fund programs and projects (MSPs) prior to Metro Board approval;
  - Sub-regional entities must be consulted in the development of administrative guidelines, project eligibility guidelines, project selection criteria, and performance metrics for sub-regional programs and projects;
  - Project Sponsors should not be allowed to bypass the sub-regional planning process where one exists.
  - Metro should establish a policy that would allow eligible costs related to locally-funded projects that would be considered as elements within a Metro rail project to be eligible for a Letter of No Prejudice for Measure M reimbursement when the local projects are shovel ready.

- Metro allowed 0.5% of the annual cost of the sub-regional programs to be drawn from the MSP for program development and administration. Sub-regional entities and local jurisdictions should be explicitly eligible for these funds.
- It is unclear whether Metro is taking an additional 0.5% here for administration from sub-regional programs over and above what they are already getting off the top. To avoid Metro "double dipping", it should be clarified that Metro's administrative costs do not exceed the 0.5% of Measure M and are taken before Transit and Highway Allocations are made.

- <u>Project Acceleration</u>
  - Acceleration of projects must not delay current regional and sub-regional projects or reduce the funding available for cost containment strategies related to sub-regional programs and projects.
  - Surplus funding from projects that have been completed or from projects that are no longer viable should be made available for re-programming within the same sub-fund during the following fiscal year. These surplus funds should not have to wait for the 5-year Assessment to be re-programmed.
  - The guidelines also allow the Metro Board to amend the "Schedule of Funds Available" to accelerate an Expenditure Plan Major Project at any time but changes in commitments to current projects will only be evaluated every 10 years. The conflict between the two policies should be reconciled and acceleration of sub-regional projects should be subject to similar policies.

- <u>Multi-year Highway Sub-funds</u>
  - Highway Operational Improvement project funding begins with the Project Identification Document rather than program development. To be consistent with general Measure M Guidelines, the Highway Sub-fund guideline should allow use of the funding to develop the sub-fund guidelines or prepare the project development matrix.
  - Measure R SBHP guidelines include a funding restriction that requires intersection or street widening/improvements to be "on a State Conventional Highway or within one mile of a state highway." This restriction was not included in the Measure M Ordinance and should be eliminated from the Measure M guidelines to allow projects to be implemented in areas like the Palos Verdes Peninsula that are not within 1 mile of a state highway and yet have major arterials.
  - Metro deleted two-way left turn or right turn lanes and intersection and street widening projects from the examples of eligible projects in the Freeway Interchange Improvements definition. However, the definition in this funding category includes improvements on major/minor arterials or key collector roadways which achieve the same objectives as Freeway Interchanges. Since the Freeway Interchange Improvements category is more broadly defined, we recommend that these types of turn lane projects on arterials be restored to the Guidelines as eligible uses of the funding.

- <u>Technology Improvements</u>
  - Even though signal synchronization and other intelligent transportation system improvements are explicitly eligible in some MSPs around the County, they are not explicitly eligible in South Bay Highway MSPs. In addition, the Guidelines do not currently include broadband or fiber-optic projects as eligible expenditures. Fiber optic installations are limited in the Local Return Guidelines to "signal-related electrical system and/or fiber-optic in the roadway." Fiber-optic installations should not be limited to being in the roadway since use of existing utility poles and

underground conduits outside the roadway might be more cost-effective. Signal synchronization and intelligent transportation system improvements Inter-city, sub-regional fiber-optic and broadband projects should be included in the Sub-regional and Local Return Guidelines sections.

- Smartphone technologies, Autonomous cars, Slow Speed Vehicles, Electric Vehicles, Car sharing, and Transportation Network Companies are significantly evolving traditional transit, paratransit, and taxi systems. To ensure that these potential public/private partnerships are enabled to improve service to the customer, the Measure M Guidelines should allow these innovative projects, technologies, infrastructure improvements, and service providers to be eligible for all appropriate funding categories
- Visionary Seed Funding eligibility is still restricted to transit in the revised guidelines. It should be available for other mobility and sustainability ideas beyond transit. The eligible applicants should include transit operators and other entities rather than relegating others to "partners" for visionary seed funding applications that do not include transit operators.

In summary, the SBCCOG appreciates Metro staff's diligence in responding to comments and incorporating significant changes based on stakeholder input. We believe implementing the recommendations into the Measure M Master Guidelines or Administrative Guidelines will strengthen the partnership and clarify Metro's intentions. Please contact us if you would like additional clarification on any of the additional changes we are recommending.

Sincerely,

James A. Osborne

James Osborne, SBCCOG Chair
Councilmember, City of Lawndale

c.c.:
SBCCOG Board of Directors
L. A. Metro Board of Directors
Phillip Washington, CEO, L. A. Metro
COGs of Los Angeles County

Appendix

Appendix

SBCCOG Page-by-page Comments on Revised Measure M Guidelines, as of June 12, 2017

Page 7

1. At the bottom of Page 7, #5 – Sub-regional funding reductions should come from the sub-region in which the shortfall is happening. It is not clear in the document. Sub-regional funding should be used only with the concurrence of the responsible "sub-regional entities".

2. Acceleration of projects must not delay current regional and sub-regional projects due to redirecting funding for acceleration

3. Acceleration of projects must not reduce the potential funding available for addressing cost containment using the methods listed on page 7.

Page 10

1. Sub-regional entities should be consulted before the Metro Board is asked to approve the performance metrics through its 5-year assessment process. This is particularly important with respect to the sub-regional program metrics.

2. Requiring approval only during the 5-year assessment may delay project readiness. There should be a process to accelerate approval changes more often than every 5 years to avoid delay of projects that are shovel ready.

Page 11

Any change in sub-regional boundaries should only be made with consensus of all the sub-regional entities affected.

Page 12

1. In the 2nd group of bullets – the new one re: Changes in Technology should also include better service to the customer/consumer.

2. Bottom of page 12 – The guidelines allow the Metro Board to amend the "Schedule of Funds Available" to accelerate an Expenditure Plan Major Project at any time but changes in commitments to current projects will only be evaluated every 10 years. The two policies are in conflict. Funds from a project that is completed with cost savings or a project that is no longer viable should be available for re-programming in the following fiscal year.

Page 16

2^{nd} paragraph from the bottom –Metro should request notice from the responsible sub-regional entity which will compile the 5-year Multi-Year Subregional Programs (MSPs) on behalf of the project sponsors. Project Sponsors should not be allowed to bypass the sub-regional planning process where one exists.

Page 17

MSP borrowing needs to be approved by all of the affected sub-regional entities.

Page 26

1. Metro allowed .5% of the annual cost of the sub-regional programs to be drawn from the MSP. Sub-regional entities and local jurisdictions should be explicitly eligible for these funds.

2. Parameters from the Mobility Matrices should be developed with concurrence of sub-regional entities. In the 2^{nd} sentence referring to the Mobility Matrices, the word 'using' should be replaced with the word 'considering'.

Page 30

Highway Operational Improvement project funding begins with the Project Identification Document rather than program development. To be consistent with Page 29, this guideline should not preclude use of funding from this category to prepare the project development matrix described on page 26.

Page 32

Signal synchronization and other intelligent transportation system improvements are not included as eligible projects in any of the Highway MSP categories. They should be explicitly included in the respective lists even though they are generally eligible in their own section beginning on page 37.

Page 33

1. Metro added a provision that is in Measure R SBHP guidelines that requires Intersection or street widening/improvements to be "on a State Conventional Highway or within one mile of a state highway." This restriction should be eliminated from the Measure M guidelines to allow projects to be implemented in areas like the Palos Verdes Peninsula that are not within 1 mile of a state highway and yet have major arterials.

2. Metro deleted two-way left turn or right turn lanes and intersection and street widening projects from the examples of eligible projects in the Freeway Interchange Improvements definition. However, the definition in this funding category includes improvements on major/minor arterials or key collector roadways which achieve the same objectives as Freeway Interchanges. Since the Freeway Interchange Improvements category is more broadly defined, we recommend that these types of turn lane projects on arterials be retained as eligible uses of the funding.

Page 37

The guidelines do not currently include broadband or fiber-optic projects as eligible expenditures. Inter-city, sub-regional fiber-optic and broadband projects should be included in the ITS section and justified as a TSM strategy.

Page 42

1st/last mile should acknowledge eliminating travel through travel demand management strategies or projects. These types of projects should be eligible in the ITS section. The Greenway project category should be broadened slow speed electric transportation.

Page 44, 55

BRT Capital improvements – Metro staff told the PAC that municipal operators would be included, but the guidelines do not yet reflect the change. Included and Municipal Operators and Metro should be explicitly eligible as lead agencies for BRT funded projects within a BRT program coordinated by Metro.

Page 48

Allocation Methodology – It is unclear whether Metro taking an additional 0.5% here for administration from sub-regional programs over and above what they are already getting off the top. To avoid Metro double dipping, it should be clarified that Metro's administrative costs do not exceed the 0.5% that taken off the top.

Page 53

Visionary Seed Funding eligibility is still restricted to transit in the revised guidelines. It should be available for other mobility and sustainability ideas beyond transit. The eligible applicants should include transit operators and other entities.

Page 79

Fiber optic installations are limited to "signal-related electrical system and/or fiber-optic in the roadway." Consistent with the comments on page 37, fiber-optic and broadband programs should be eligible as a transportation demand management projects and should not be limited to installations in the roadway since use of existing utility poles and underground conduits outside the roadway might be more cost-effective.

Page 102, 103

1. Refocused Taxi Element – Although the guidelines are more inclusive in earlier sections of the document, this section should be expanded to include options to taxi operators such as car sharing and ride sharing providers and autonomous vehicle fleets.

2. Implementation Timeline – On the 4th line, in addition to taxi service, the timeline should include comparable options that exist or may emerge.