

**South Bay Cities Council of Governments
Infrastructure Working Group (IWG) - April 12th, 2023**

Attendees : Ted Semaan, Chair (Redondo Beach); Gilbert Marquez (Carson); Kimberly Venegas (LA City); Erick Lee, Erik Zandvliet, Helen Shi (Manhattan Beach); Ramzi Awwad (Rancho Palos Verdes); Jacki Bacharach, David Leger, Steve Lantz, Aaron Baum (SBCCOG); Maggie Cheung, Pamela Manning, Jonathan Lu, Andres Narvaez (LA County DPW); Nemrata Sen (Caltrans); Anissa Voyiatzes (Arduzza); Diego Cadena (HDR); Alek Hovsepian (Iteris); Justin Gatza (Kimley-Horn); Margaret Novak (Michael Baker)

- I. **Approval of March 8, 2023, IWG Meeting Notes** – Mr. Semaan called the meeting to order at 12:02 pm. The March 8, 2023 meeting notes were approved without objection.

- II. **Agency & Other Update Reports**

- a) SBCCOG: Ms. Bacharach shared the SBCCOG is kicking off the LATA grant project that will conduct a market and needs assessment of broadband services in areas within the South Bay. The SBCCOG has contracted with Arcadis IBI for the project. Work on the SBFN is wrapping up, with one final call for potential lateral site connections. Cities should reach out to Aaron Baum with information on any sites they'd like to have considered for capital cost funding. The SBCCOG's next REAP Housing Education Forum will take place Thursday April 13th at 12pm via Zoom.
 - 1) Local Travel Network Updates: Ms. Bacharach shared a brief update on LTN deliverables, and applications for implementation. SBCCOG staff is also discussing a pilot project within the City of El Segundo. The SBCCOG also applied to Caltrans' Sustainability Planning Grant program for funds to plan "Local Use Vehicle" lanes and community outreach events.
- b) L.A. County DPW – South Bay Traffic Forum Update: Mr. Lu provided updates on the County's Centracs projects. Mr. Narvaez reported on the TSSP projects currently underway in the South Bay. The County's written report is available here: https://southbaycities.org/wp-content/uploads/2023/04/HANDOUT_LA-County-Updates-4.12.23.pdf
- c) L.A. Metro Updates –
 - 1) ITS Program: no update
 - 2) LA Metro Board Actions: Mr. Lantz reported that Metro has been dealing with their budget in recent weeks. Although they are expected to balance the budget this year with other funding sources, FY24-25 is forecast to see a \$500M deficit and a \$1B deficit in FY25-26. Mr. Semaan asked Mr. Lantz if this could impact Measure R/M programs in the South Bay. Mr. Lantz explained that since the SBCCOG has programmed such a large portion of the funding, it's not likely to impact the programs in the near term.
 - 3) Metro TAC & Streets and Freeways: No TAC updates provided. Mr. Zandvliet noted that the Streets and Freeways subcommittee did not meet in March.
- d) Caltrans South Bay Projects: Ms. Sen shared that Caltrans is modifying its report based on comments received from the SBCCOG's Transportation Committee. Caltrans is currently finalizing PIDs for the upcoming SHOPP cycle.

- III. **Appointees/Nominees needed: IWG Vice-Chair, Metro TAC Alternate, Metro Streets and Freeways Subcommittee:** Mr. Leger reported that the SBCCOG is seeking volunteers for the open positions. Mr. Semaan asked for anyone interested to reach out to him or Mr. Leger. Mr. Zandvliet and Mr. Lee shared that they might be interested in serving as the IWG Vice-Chair but would like to discuss it further after the meeting. Mr. Leger will send out a summary of the positions as part of May IWG agenda packet.

IV. **City of Inglewood Request to Reallocate Measure M Sub-Regional Equity Program (SEP) Funds:** Ms.

Bacharach explained that the Transportation Committee discussed this item extensively earlier in the week and ultimately recommended the Board approve Inglewood's request. She briefly explained that the SBCCOG Board had previously allocated the \$130M in Measure M SEP funds to Inglewood's Centinela Grade Separation (CGS) project. Subsequent to that action, Metro requested the South Bay contribute towards cost overruns on the Crenshaw-LAX line. The SBCCOG Board agreed to contribute its share, \$22M, out of SEP funds contingent upon LA City contributing their share and Metro's commitment to backfill funding needed to complete the CGS project. Those contingencies have not been met, yet Metro has already taken \$22M in SEP funds from the South Bay for its proportionate contribution to the \$90 million Crenshaw/LAX project overrun.

Since that time, Inglewood has proceeded with its Inglewood Transit Connector (ITC) project. The CGS project has also increased significantly in cost to more than \$300 million. The ITC project is currently 30% designed and it has become clear that if the CGS project were to proceed at this time, its construction would conflict with the ITC and delay completion of the ITC, likely beyond its goal of being operational by the 2028 Olympics. The ITC is currently funded at approximately \$785M out of the \$1.8B needed. A full-funding grant is being sought from the FTA to deliver the remaining funds needed. In order to be competitive for that award, the FTA would like a 10% backstop fund identified, which is a reserve fund above the normal contingency budget built into a project. Due to all of these factors, Inglewood is requesting the SBCCOG Board re-program SEP funds from the CGS project to the ITC project as a backstop.

Ms. Bacharach also explained that the SBCCOG has a policy/practice of funding projects, not cities, and that directly transferring funds from one project to another project in the same city would not be keeping with that practice.

At the Transportation Committee, several members raised concerns about breaking with the practice of funding projects and questioned if the move would jeopardize any other projects in the South Bay.

After considerable discussion, the Transportation Committee recommended the SBCCOG Board:

- Officially suspend SEP funding towards the CGS project
- Request Metro return the \$22M in SEP funding already taken
- Allocate all available SEP funding (approximately \$105-\$110M following Metro's acceleration policy) to the ITC project to be used as a backstop only with the following conditions:
 - o If the ITC is not fully funded by the end of March 2024, the funding would revert back to the CGS project. If the funds revert back to the CGS project, Inglewood must identify a way to fully fund the CGS project by the end of March 2025.
 - o If the ITC is fully funded, all unused funds must be returned to the SBCCOG by June 30, 2028 (unless an extension is requested). All unused funds would then be considered for the greatest mobility needs in the subregion at that time.

Several public works directors shared their concerns with the unwillingness to give the funds back to the SBCCOG to consider other project needs and the breaking with the long-standing practice of funding projects instead of cities. The group felt it was important to share their concerns with the SBCCOG Board of Directors and made a motion to request Ms. Bacharach report to the Board the issues raised.

MOTION by Mr. Semaan, seconded by Mr. Lee, to inform the SBCCOG Board of the IWG's concerns with the Transportation Committee's recommendation to support reallocation of the SEP funds directly to the ITC project without considering other needs within the South Bay first. The motion which was approved unanimously stated: Any money allocated at this time for the ITC, if not used, should come back to the SBCCOG for reallocation, not returned to the Centinela Grade Separation.

- V. **Measure M MSP & Measure R SBTIP FY23-24 Annual Program Updates:** Mr. Leger reported that the Transportation Committee recommended the SBCCOG Board approve the funding requests. Following SBCCOG Board action, SBCCOG staff will transmit the request to Metro staff who will then review the projects for Measure M MSP or Measure R SBTIP funding eligibility. The Metro Board is anticipated to approve the requests in September.
- VI. **C Line Extension to Torrance Non-DEIR Reports:** Mr. Lantz briefly reviewed the reports released by Metro that were not required to be part of the projects DEIR. Metro will use these reports and the DEIR to determine a locally preferred alternative and then develop a final EIR. That decision is expected to be made sometime in the summer.
- VII. **Topics of Interest/Future Spotlight Presentations:** The group discussed potential future topics. A presentation on the Colorado River Federal water proposals was requested for May. Mr. Lantz also noted that he's working with CSULB's CITT to offer a goods movement course in the South Bay again. CITT has received a state grant to provide such education. Since the course would be grant funded, it would have to be open to statewide participants, but could be hosted in the South Bay.
- VIII. **SBCCOG Transportation Report covering March 2023:** received and filed.
- IX. **3-Month Look Ahead:** received and filed.
- X. **Announcements / Adjournment:** Mr. Semaan adjourned the meeting at 1:23 pm. *Next meeting May 10th (Public)*

To propose an item for the next meeting agenda, e-mail to DavidL@southbaycities.org no later than April 30th

Meeting notes prepared by David Leger, SBCCOG Senior Program Manager