

Wednesday, January 14, 2009 2:30 P.M.

Agenda

Finance and Budget Committee Meeting

One Gateway Plaza
3rd Floor Boardroom

Call to Order

Directors

Ara Najarian, Chair
David Fleming, Vice Chair
Michael Antonovich
Gloria Molina
Pam O'Connor
Doug Failing, non-voting member

Officers

Roger Snoble, Chief Executive Officer
Michele Jackson, Board Secretary
Karen Gorman, Ethics Officer
Karen Gorman, Acting Inspector General
County Counsel, General Counsel



Los Angeles County
Metropolitan Transportation Authority

Metro

METROPOLITAN TRANSPORTATION AUTHORITY BOARD RULES (ALSO APPLIES TO BOARD COMMITTEES)

PUBLIC INPUT

The meetings of the Metropolitan Transportation Authority Board are open to the public. A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for up to 5 minutes per item, or at the discretion of the Chair. A request to address the Board should be submitted in person at the meeting to the Board Secretary prior to the start of the meeting.

The public may also address the MTA on non-agenda items within the subject matter jurisdiction of the MTA during the public comment period, which will be held at the end of each meeting. Each person will be allowed to speak for one minute and may speak no more than once during the Public Comment period. Public Comment will last a maximum of 30 minutes, or as otherwise indicated by the Chair. Speakers will be called according to the order in which the speaker request forms are received until the Public Comment period has expired. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

At the discretion of the Chair, the Board may limit public input on any item, based on the number of people requesting to speak and the business of the Board.

In the interest of hearing from as many members of the public as possible, if at the time your name is called, your issue has been addressed or your opinion expressed by a previous speaker, please simply state that fact and your name for the record.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

CONDUCT IN THE BOARD ROOM - The following rules pertain to conduct at Metropolitan Transportation Authority meetings:

REMOVAL FROM THE BOARD ROOM The Chair shall order removed from the Board Room any person who commits the following acts with respect to any meeting of the MTA Board:

- a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
- b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
- c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
- d. Any other unlawful interference with the due and orderly course of said meeting.

INFORMATION RELATING TO AGENDAS AND ACTIONS OF THE BOARD

Agendas for the Regular MTA Board meetings are prepared by the Board Secretary and are available prior to the meeting in the MTA Records Management Department and on the Internet.

Every meeting of the MTA Board of Directors is recorded on cassette tapes, and duplicate tapes are available for a nominal charge. A Spanish language translator is available at all Board Meetings. Translators for other languages must be requested 72 hours in advance. After each Board meeting, a record is prepared which indicates the actions taken by the Board. This record is available on the second business day following the meeting.

DISCLOSURE OF CONTRIBUTIONS

The State Political Reform Act (Government Code Section 84308) requires that a party to a proceeding before an agency involving a license, permit, or other entitlement for use, including all contracts (other than competitively bid, labor, or personal employment contracts), shall disclose on the record of the proceeding any contributions in an amount of more than \$250 made within the preceding 12 months by the party, or his or her agent, to any officer of the agency, additionally PUC Code Sec. 130051.20 requires that no member accept a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. Persons required to make this disclosure shall do so by filling out a "Disclosure of Contribution" form which is available at the LACMTA Board and Committee Meetings. Failure to comply with this requirement may result in the assessment of civil or criminal penalties.

ADA REQUIREMENTS

Upon request, sign language interpretation, materials in alternative formats and other accommodations are available to the public for MTA-sponsored meetings and events. All requests for reasonable accommodations must be made at least three working days (72 hours) in advance of the scheduled meeting date. Please telephone (213) 922-4600 between 8 a.m. and 5 p.m., Monday through Friday. Our TDD line is (800) 252-9040.

HELPFUL PHONE NUMBERS

Copies of Agendas/Record of Board Action/Cassette Tapes of Meetings - (213) 922-4880 (Records Management Department)

General Information/Rules of the Board - (213) 922-4600

Internet Access to Agendas - www.metro.net

TDD line (800) 252-9040

NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA

15. RECEIVE report of the Chief Financial Services Officer.

(HANDOUT)

16. APPROVE the following documents necessary for the State Board of Equalization (SBOE) to **administer, collect and remit Measure R proceeds** to us:

- A. Resolution authorizing the Chief Executive Officer to execute the agreements below with the SBOE;
- B. agreement for preparation to administer and operate Measure R; and
- C. agreement for the administration of Measure R.

17. **AMEND the FY09 budget** as follows:

- A. decrease the State Transit Assistance (STA) revenue budget by \$136.3 million;
- B. add \$89.7 million of Prop C 40% to the Enterprise Fund and \$18.5 million of Prop C 40% for Municipal Operators' subsidies to replace STA funds that were eliminated in the State budget adopted in September 2008;
- C. transfer in \$29.9 million of prior year STA Population share monies from the Special Revenue Fund to the Enterprise Fund for rail operations;
- D. approve the reprogramming of \$6.2 million of FY08 capital funds from completed capital projects;
- E. add \$1 million of expense and revenue to the Financial Services budget to pay legal and other expenses for ongoing sales-leaseback contract negotiations; and
- F. transfer \$23 million of Prop A, Prop C and General Fund balances to pay interest on outstanding debt as a result of the continuing volatility in the financial markets.

18. APPROVE the following **FY10 Business Planning Parameters**:
- A. sales tax revenues forecast of \$649.0 million each for Prop A and C, a decrease of \$51.3 million each from the FY09 budget and \$380.3 million for Measure R based on partial year receipts due to State Board of Equalization remittance procedures;
 - B. TDA revenue forecast of \$323.5 million, a decrease of \$28.5 million from the FY09 budget;
 - C. no State Transit Assistance (STA) revenues forecast for the Los Angeles region, a decrease of \$227.1 million from the FY09 budget;
 - D. fares forecast at \$342.0 million based on 5.5% ridership growth over the FY09 budget, including Eastside Extension ridership;
 - E. the resulting farebox recovery ratio is forecast at 26.4%. The fare revenue per boarding is forecast at \$.66 per boarding;
 - F. CNG fuel credits were extended through December 2009 providing \$10.2 million for FY10, an increase of \$5.1 million over the Ten-Year forecast;
 - G. the DWP settlement provided \$8.2 million of one-time revenues for operations;
 - H. the DWP settlement made \$8.9 million available for capital projects designed to lower energy demand or consumption, of which \$1.7 million is planned to pay the annual capital lease on the new MSSC solar energy project;
 - I. no new FTE's will be added to the work force with the following exceptions: Eastside Extension rail operations; and for Measure R, Prop 1B, Interstate 405, and Congestion Reduction Demonstration Pricing projects and programs;
 - J. rail revenue service hours (RSH) are planned to increase by 62,371 hours for the Eastside Extension;
 - K. restructure bus service to eliminate unproductive and duplicative bus services by 100,000 RSH in June and 60,000 RSH in December; and
 - L. no wage increases are forecast except for AFSCME and Teamster employees who will receive increases in accordance with their respective collective bargaining agreements.

19. RECEIVE AND FILE **report on day pass handling procedures.**
(ALSO ON OPERATIONS COMMITTEE)

20. RECEIVE AND FILE report on **paper day pass transition to Transit Access Pass (TAP).**
(ALSO ON OPERATIONS COMMITTEE)
(HANDOUT)

21. RECEIVE AND FILE the **FY09 First Quarter Financial Performance Report.**

22. RECEIVE monthly **oral status update on the FY 2009 budget.**
(HANDOUT)

Consideration of items not on the posted agenda, including: items to be presented and (if requested) referred to staff; items to be placed on the agenda for action at a future meeting of the Committee or Board; and/or items requiring immediate action because of an emergency situation or where the need to take immediate action came to the attention of the Committee subsequent to the posting of the agenda.

COMMENTS FROM THE PUBLIC ON ITEMS OF PUBLIC INTEREST
WITHIN COMMITTEE'S SUBJECT MATTER JURISDICTION

ADJOURNMENT