



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2951

**AUGUST 17, 2017**

**TO:** BOARD OF DIRECTORS

**THROUGH:** PHILLIP A. WASHINGTON *PAW*  
CHIEF EXECUTIVE OFFICER

**FROM:** SHAHRZAD AMIRI *KM for*  
EXECUTIVE OFFICER, CONGESTION REDUCTION

**SUBJECT:** METRO EXPRESSLANES - NET TOLL REVENUE GRANT PROGRAM

**ISSUE**

In July 2014, the Metro Board approved 20 projects totaling \$19,854,458 as part of the Round 1 Net Toll Revenue Grant program. In August 2016, as part of the Round 2 Net Toll Revenue Grant Program the Metro Board approved 21 projects totaling \$27,854,525. Many of the grant projects funded as part of Rounds 1 and 2 have not expended any of their grant funds. Consequently, staff will not initiate a third round of the grant program this fiscal year. Instead, net toll revenue funds will be used for improvements to the roadway toll collection system and planning studies to support the expansion of the ExpressLanes consistent with the ExpressLanes Strategic Plan.

**DISCUSSION**

Gross toll revenues generated from the ExpressLanes are first used to cover the direct expenses related to the maintenance, administration, and operation of the lanes. The remaining revenue produced is used as reinvestment for transportation improvements in the corridors where generated. Out of the 20 projects from Round 1, three (3) projects have been completed. Seven (7) projects are in progress and have expended partial funds. Ten (10) projects have not expended any funds and may be considered for deobligation. (Attachment A)

Net Toll Revenue Grants	<u>Round 1</u>	<u>Round 2</u>	<u>Total</u>
Grant Obligation	\$19,854,458	\$27,854,525	\$47,708,983
Grants Paid	\$1,427,095	\$25,120	\$1,452,215
Remaining Obligation	\$18,427,363	\$27,829,405	\$46,256,768

Consequently, staff will not initiate a third round of the grant program this fiscal year. Instead, net toll revenue funds will be used to provide a new back office system, customer service center, and a roadway toll collection system. Funds will be utilized to improve the current system through occupancy detection, mobile application, enforcement lights, new toll gantries, and roadway channelizers on the current ExpressLanes. Additional funds will be used to expand ExpressLanes to new corridors consistent with the ExpressLanes Strategic Plan presented to the Board in January of this year:

I-105 from LAX to I-605
I-405 from US-101 to LA/Orange County Line
I-110 Extension to I-405
I-10 to the San Bernardino County line
I-605 from I-10 to LA/Orange County Line

**NEXT STEPS**

Project sponsors whose funding is subject to potential deobligation have all been notified. Staff will work with these sponsors to make sure projects are moving in a timely matter. If formal deobligation is warranted, staff will present the projects for deobligation in the October Board cycle.

**ATTACHMENT A**  
**List of Projects Subject to Deobligation**

## ATTACHMENT A

### List of Projects Subject to Deobligation

	<u>PROJECT ID #</u>	<u>GRANTEE</u>	<u>PROJECT NAME</u>	<u>FUNDING</u>	<u>FUNDS AWARDED</u>
1	MX201402	Caltrans	ExpressLanes Corridors Incident Management Improvements Project	\$240,000	July 2014
2	MX201404	City of Baldwin Park	Baldwin Park Commuter Connector Express Line	\$ 700,395	July 2014
3	MX201405	City of Baldwin Park	Frazier Street Pedestrian and Bicycle Safety Improvements	\$895,288	July 2014
4	MX201406	City of Carson	Dominguez Channel Bike & Pedestrian Path	\$1,259,000	July 2014
5	MX201407	City of El Monte	Santa Anita Avenue Active Transportation for El Monte Station and Downtown El Monte	\$633,782	July 2014
6	MX201410	City of Los Angeles	ATSAC Infrastructure Communication Systems Enhancement along I-110 Freeway	\$1,425,000	July 2014
7	MX201420	City of Los Angeles	Cesar Chavez Great Street	\$435,000	July 2014
8	MX201411	City of Los Angeles	Commuter Express Service Expansion to Alleviate Congestion on Harbor Freeway	\$724,000	July 2014
9	MX201413	City of Monterey Park	Monterey Park Bike Corridor Project	\$ 331,800	July 2014
10	MX201418	Torrance Transit	Torrance Transit Expansion of Line #1 and Line #4 HOTLane Service	\$2,235,991	July 2014