



Metro


Los Angeles County
Metropolitan Transportation Authority


One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

July 23, 2012

TO: BOARD OF DIRECTORS

THROUGH: ARTHUR T. LEAHY 
CHIEF EXECUTIVE OFFICER

FROM: DOUGLAS R. FAILING 
EXECUTIVE DIRECTOR, HIGHWAY PROGRAM

**SUBJECT: IMPLEMENTATION APPROACH FOR THE NORTH COUNTY
MEASURE R REGIONAL FUNDS "ALIGNMENT" MOTION**

ISSUE

At the June 28, 2012 meeting, the Board approved a motion by Directors Antonovich and Najarian to include the State Route (SR) 138 Capacity Enhancement Subfund as a subregional "equity" fund and instructed staff to send a letter to the County of Los Angeles and the Cities of Lancaster and Palmdale outlining the content of the Board's actions and their implications for future Call for Projects applications, as well as working with the City of Santa Clarita and the County of Los Angeles to determine a similar source of "equity" funds available for local match within 60 days. The Financial Stability Policy adopted by the Board in 2007 also directs staff to provide financial impact information on any motion being considered or approved by the Board. This memorandum explains staff's approach to implement the June "Alignment" motion following the Financial Stability Policy.

DISCUSSION

(1) SR-138 Capacity Enhancement Subfund as a Subregional "Equity" fund:

Staff understands the Board's directive. Accordingly, the February 2012 Board action on Measure R Regional Funds "Alignment" Motion Additional Information should apply to all of the following categories:

- a. Highway Operational Improvement projects for Arroyo Verdugo (\$170 million)

- b. Highway Operational Improvement projects for Las Virgenes/Malibu (\$175 million)
- c. Ramp and Interchange Improvements for the I-405, I-110, I-105 and SR-91 in the South Bay (\$906 million)
- d. I-605 Corridor "Hot Spot" Interchanges (\$590 million)
- e. BNSF Grade Separations (\$35 million)
- f. I-710 South and/or Early Action projects (\$590 million)
- g. SR-138 Capacity Enhancement (\$200 million)

(2) Use of SR-138 Capacity Enhancement Subfund as a Source of Local Match for Future Call for Projects Applications:

Recommended Project List

In March 2012 the California Transportation Commission (CTC) adopted the 2012 State Transportation Improvement Program (STIP) which provided an additional \$82.2 M to widen SR-138. Staff has been working with Caltrans and developed an understanding that the portion of the SR-138 widening from Pearblossom Avenue to SR-18 is fully funded with the infusion of this additional STIP funding. Upon written notification from Caltrans that this portion of SR-138 work is fully funded through other funding sources, Measure R funds may be freed up to fund additional projects that will enhance capacity in other locations along the SR-138 corridor. The selection of eligible SR-138 corridor projects will follow the Board's eligibility requirements for highway operational improvements.

Staff is working with County of Los Angeles and Cities of Lancaster and Palmdale to develop an implementation plan for qualifying SR-138 corridor projects. Staff will ensure that the implementation will follow the Financial Stability Policy adopted by the Board in January 2007, similar to the process utilized to develop the recommended project lists for other "equity" funds listed in the previous section.

A recommended list of projects along with the written notification from Caltrans described above will be submitted to Board for approval in September 2012.

Call for Projects

Consistent with the February 2012 Board action, staff will work with the Technical Advisory Committee and its subcommittees to address the Subregional "equity" issue in the *Call for Projects* application package. The package is scheduled to be brought to the Board in the fall of 2012 for approval. As a policy decision, the Board has discretion to allow Measure R Highway sub-regional funds to be used as local match for the Call for Projects as long as the project being considered is 1) eligible for Measure R Highway sub-fund money; and 2) eligible to compete in one of the Call for Projects modal categories.

(3) Letter to County of Los Angeles and Cities of Lancaster and Palmdale on Implications for the Future *Call for Projects* Applications:

Staff will follow through on this action item by forwarding the Board's June 28, 2012 motion and this Board Box memorandum to the County of Los Angeles and Cities of Lancaster and Palmdale.

(4) Source of "Equity" Funds for Santa Clarita Valley:

Measure R projects within Santa Clarita Valley include I-5/SR-14 Capacity Enhancements (\$90.8M) and I-5 North Capacity Enhancements from SR-14 to Kern County Line (Truck Lanes) (\$410M). The I-5/SR-14 Capacity Enhancements project is currently in construction which is targeted for completion near the end of 2013. Once this project is certified complete by a two-thirds vote of the Board, if there are savings from the project as certified by the Board, the savings will remain within the North County Subregion to provide for North County Subregion "equity" funding opportunities.

As for the I-5 North Capacity Enhancements from SR-14 to Kern County Line project, Measure R provides less than 20% of the project funding. It is anticipated that no cost savings will be achieved.

NEXT STEPS

Staff will:

- continue to work with the North County subregion to finalize a recommended list of projects for SR-138 for Board approval in September; and
- continue to work with the Technical Advisory Committee and its subcommittee on incorporating the Subregional "equity" funds into the *Call for Projects* application package for Board approval in fall of 2012.