



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

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**July 25, 2012**

**TO: BOARD OF DIRECTORS**

**THROUGH: ARTHUR T. LEAHY**   
**CHIEF EXECUTIVE OFFICER**

**FROM: LYNDA BYBEE**   
**INTERIM CHIEF COMMUNICATIONS OFFICER**

**SUBJECT: MEASURE R OVERSIGHT COMMITTEE MEETING PROCEEDINGS**

**ISSUE**

The Measure R Independent Taxpayers Oversight Committee of Metro held a meeting on July 23 to be briefed on the proposed extension of Measure R and the proposed amendment to the Measure R Ordinance (Motion by Director Fasana). Measure R requires that the Oversight Committee review any proposed amendments to the Ordinance and make a finding on whether the proposed amendment furthers the purpose of the Ordinance. This report provides a summary of the Committee's proceedings.

**DISCUSSION**

Proposal to Extend Measure R

Staff provided an oral report on the proposal to extend Measure R for an additional 30 years in order to accelerate the completion of major capital projects in Los Angeles County. The presentation included a review of the Draft Strategic Financial Plan. The Committee asked clarification questions regarding financial assumptions.

Proposed Measure R Ordinance Amendment

Staff then presented the proposed amendment to the Measure R Ordinance approved for consideration by the Board at the June meeting. The proposed amendment would allow the transfer of funds within a subregion between the Transit Capital and Highway Capital Subfunds with a two-thirds vote and would eliminate the time restrictions for such transfers currently in place.

The Oversight Committee made a finding that the proposed amendment furthers the purpose of the Measure R ordinance (Attachment A). The finding was approved by the Committee with a 2-1 vote. The Committee stated that their finding assumes that neither

of the Subfunds would be drastically reduced and revenues would remain in each subfund when transfers occurred. The finding was also made to allow for more flexibility to respond to changes in local priorities or to help fill funding gaps. The Committee member casting the dissenting vote stated that the proposed amendment allowed too much flexibility and could potentially be used to undermine the program of projects approved by voters in 2008.

### **NEXT STEPS**

The Oversight Committee's findings will be presented to the Board at the July 26 Regular Board meeting.

### **ATTACHMENT**

A. Resolution Finding of Measure R Oversight Committee (July 23, 2012)

RESOLUTION FINDING THAT THE PROPOSED AMENDMENT TO THE MEASURE R ORDINANCE FURTHERS THE PURPOSE OF THE ORDINANCE

WHEREAS, the MTA Board of Directors is considering the adoption of an amendment to the Measure R Ordinance that would eliminate the present restrictions on fund transfers between the Transit Capital and Highway Capital Subfunds; and

WHEREAS, presently the Board may only transfer funds between the Transit Capital and Highway Capital Subfunds once every 10 years and not until after 2019; and

WHEREAS, the proposed amendment would allow transfers between these two subfunds at any time by a two-thirds vote of the Board as long as the funds are used in the same subregion; and

WHEREAS, the proposed amendment would allow transit and highway capital projects that are not scheduled to be funded prior to 2019 to have funding reallocated to them at an earlier date; and

WHEREAS, the proposed amendment would allow flexibility to accelerate project completion by adding additional funds to projects; and

WHEREAS, the requirements that the transferred funds be used for project(s) in the same subregion as the original project and that a two-thirds vote of the Board is required to authorize the fund transfer helps ensure that a level of regional consensus and equity exists in support of the transfer; and

WHEREAS, the increased flexibility resulting from interfund transfers provides MTA the ability to adjust priorities that may change over time within a subregion;

NOW, THEREFORE, the Proposition R Independent Taxpayers Oversight Committee of Metro finds that the proposed amendment to the Measure R Ordinance being considered by the MTA Board furthers the purpose of the Ordinance.

Adopted this 23rd day of July, 2012.

The undersigned, duly qualified and acting as Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the above is a true and correct copy of a resolution approved by the Measure R Independent Taxpayers of the Los Angeles County Metropolitan Transportation Authority Oversight Committee at its regular meeting held on July 23, 2012.

  
Michele Jackson, Metro Board Secretary

DATED: July 23, 2012