

AGENDA



LOS ANGELES COUNTY TRANSPORTATION COMMISSION 818 West 7th. St., Suite 1100, Los Angeles, Calif. 90017 (213) 623 1194

BUS OPERATIONS SUBCOMMITTEE

Thursday, January 3, 1991 - 9:30 a.m.
LACTC Lng Beach Room, 11th Floor
818 West Seventh Street
Los Angeles, CA 90017

	DISPOSITION
1. Call to Order	Action
2. Approval of December 1990 Minutes	Action
3. Proposed Revisions to the Prop A Discretionary Guidelines (Page 3)	Action/Neely
4. Legislative Update o SB-3 - Efficiency Standards (Page 10)	Information/Heitman
5. American Disabilities Act Status Report	Information/Hazen
6. Prop C Commuter Rail/Transit Center Guidelines	Information/Stanger
7. Bus Overcrowding Study	Information/Patashnick
8. Bus Electrification Study	Information/Gephart
9. Formula Allocation Shares - Preliminary Draft	Information/Royal
10. New Business	
11. Adjournment	

MINUTES



LOS ANGELES COUNTY TRANSPORTATION COMMISSION 818 West 7th. St., Suite 1100, Los Angeles, Calif. 90017 (213) 623 1194

BUS OPERATIONS SUBCOMMITTEE

DECEMBER 1990 *

- * The BOS called two meetings in December (2nd and 6th) to review, discuss and respond to proposed Prop A Discretionary guideline revisions presented by Sharon Neely and the LACTC.

The following is a brief discussion summary:

<u>ISSUE</u>	<u>BOS RECOMMENDATION</u>
Farebox recovery ratio	Should remain at 38%.
Discounts for K-12 students	Remove requirement.
Failure to allow contracting	Penalty should be reduced from 100% to 10% with a 50% buyback provision.
"Pay for performance" clause	Maintain a fixed base year for measuring cost growth.
Turnaround time for signing MOU's	LACTC should commit to processing MOU's within 30 days of original request.
Prop A Discretionary carryovers	LACTC should add language to clarify the carryover dollar procedures
Mandatory drug testing	LACTC should add language to make requirements consistent with legal limitations.
Additional possible revisions	Commission should make the new guidelines expire in FY92 to ensure that there is a review of unresolved issues by December 1991.

The above issues were also reviewed at the December General Manager's meeting. A final recommendation on proposed revisions will be determined for Commission approval at the next Planning and Mobility Improvement Committee meeting, January 23, 1991.



LACTC

**Los Angeles County
Transportation Commission**

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December 20, 1990

MEMO TO: BUS OPERATIONS SUBCOMMITTEE - 1/3/91 MEETING
FROM: JULIE AUSTIN, PROJECT MANAGER, POLICY ANALYSIS
**SUBJECT: PROPOSED REVISIONS TO THE PROPOSITION A
DISCRETIONARY GUIDELINES**

ISSUE

Whether to adopt the proposed revisions to the Proposition A Discretionary Guidelines as discussed at the last General Managers meeting.

RECOMMENDATION

Approve the final staff recommendations for revising the Proposition A Discretionary Guidelines as listed in Attachment A. These recommendations reflect a consensus reached among staff and operators in December.

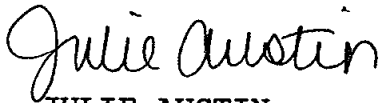
BACKGROUND

Attached is an updated table reflecting the current status of recommendations made by LACTC staff, the general managers, and the BOS (Attachment A). Several operators have expressed concerns with the cost containment recommendation. Three options to consider for discussion at the January 3 BOS meeting include: a) Support the three-year average total cost per hour and CPI to determine base year and target year costs; b) Support using Fiscal Year 1990 as the base year, and only require that operating costs do not exceed the CPI on an annual basis; or c) support including the efficiency language in SB 3 (included in your January 3 agenda package).

On December 12, 1990 the Planning and Mobility Improvement Committee (PMIC) recommended delaying action on Proposition A Discretionary Guidelines revisions until the January LACTC meeting, with the understanding that LACTC is amending the six-month advance notification rule to five months' notification for revisions outlined in the staff report. Also in response to the PMIC recommendation, staff conducted a workshop on the proposed revisions at 12:00 noon on December 19 to brief the commissioners on the history and reasons for amending the guidelines.

Bus Operations Subcommittee
1/3/91 Meeting
Page Two.

The LACTC approved the one-month waiver at their December 19 meeting, which was preceded by the workshop. At this workshop, Commissioner Bacharach requested that all commissioners and all transit operators be invited to attend the January PMIC meeting, where a final recommendation on proposed revisions will be determined for Commission approval on January 23, 1991.



JULIE AUSTIN
Project Manager
Transportation Policy

Attachment

PROPOSED REVISIONS TO THE PROPOSITION A DISCRETIONARY GUIDELINES
December 14, 1990

EXISTING GUIDELINE PROVISIONS

I. Section 1.1.B of the Guidelines currently read as follows:

"Operators who fail to meet the Transit Performance Measurement (TPM) farebox recovery standard (farebox and local subsidies over operating costs for systemwide weekday) which is the 33% for FY 1989 and 38% for FY 1990 are ineligible for Discretionary Grant formula funds if special fare user group discounts are greater than 50% of the base fare; unless when rounding up to the nearest \$0.05 is necessary in order to remain consistent with UMTA half-fare requirements.

Special fare user groups include the elderly and disabled, students K-12, and pass discounts. College discounts would be prohibited altogether if this condition (the TPM farebox recovery standard) is not met. Operators who fail to comply with this condition would be ineligible to receive Discretionary Grant formula funds in FY 1991 and FY 1992. Exhibit I shows formula for determining maximum discounts allowed for those operators who fail to meet the TPM recovery standard."

ORIGINAL STAFF RECOMMENDATION

I. Staff is recommending that the farebox recovery standard remain at 38% in light of the additional requirements recently imposed on transit operators, such as the American Disabilities Act and Air Quality Requirements. This standard will be re-evaluated at a later date after the impacts of the federal mandates have been determined.

Staff is also recommending that the second paragraph regarding special fare user groups be deleted.

GENERAL MANAGERS/ BOS RECOMMENDATION

I. General Managers/BOS support staff recommendation.

FINAL STAFF RECOMMENDATION/RESPONSE

EXISTING GUIDELINE PROVISIONS

II. Section 1.1.A. of the Guidelines currently reads as follows:

"Operators must not be effectively precluded by any new collective bargaining agreement which is in effect on or after July 1, 1988, from contracting services. Any operator who is effectively prohibited from contracting any agreement executed after July 1, 1988, is ineligible to receive Discretionary Grant formula funds."

III. Section 8.6 currently reads as follows:

Operators who execute new labor contract which are in effect on or after July 1, 1988, with automatic (non-COLA) pay performance " will have their Discretionary Grant formula funds reduced by five percent (5%) each year until contract changes occur. Operators whose cost per hour (systemwide weekday) is less than the countywide average cost per hour

ORIGINAL STAFF RECOMMENDATION

II. CONTRACTING

A. Staff is recommending a revision to the contracting provisions to state that operators must not be effectively precluded from contracting "existing, new or restructured services." Failure to comply shall result in the withholding of funds of 10% of the operator's formula share of Discretionary Grant formula funds.

B. Operators who are assessed with a 10% penalty for failing to comply with contracting requirements can buy back up to 50% of the funds withheld by implementing service that has a lower operating cost due to lower labor rates (wages plus benefits), or by establishing a separate cost center with lower administrative overhead. The funds which an operator may buy back shall be prorated based on implementation dates.

III. COST CONTAINMENT

A. Replace the current "pay for performance" clause with a broad cost containment objective that links total labor cost increases (wages and fringe benefits for mechanics and drivers) to the Consumer Price Index. Operators would be penalized up to 5% when labor costs per revenue hour exceed the cost containment standard. Currently, operators whose systemwide cost per hour are below

GENERAL MANAGERS/BOS RECOMMENDATION

II. CONTRACTING

A. Revise the proposed revisions to read as follows:

Revise the contracting provisions to state that operators must not be effectively precluded from contracting "existing, new or restructured services." Failure to comply shall result in the withholding of funds of 10% of the operator's formula share of Discretionary Grant formula funds for every year this situation exists.

B. Operators who are assessed with a 10% penalty for failing to comply with contracting requirements can buy back up to 50% of the funds withheld by keeping total cost per vehicle service hour growth below the CPI. The amount of buyback permitted up to the 50% cap shall be prorated based upon actual savings below the CPI. The method for calculating CPI growth is explained in recommendation III below.

III. COST CONTAINMENT

A. Revise the proposed revision to read as follows:

The current "pay for performance" clause should be replaced with a total cost control clause. Operators with a total cost per vehicle service hour above the countywide weighted average will lose up to 5% of the total Prop. A funding if their cost growth exceeds the CPI. The amount of the

FINAL STAFF RECOMMENDATION/RESPONSE

II. Staff supports GM/BOS recommendation which reduces the penalty from 100% withholding of formula funds for noncompliance to 10% with a 50% buyback provision. Staff is currently evaluating options for clarification of the term "effectively precluded" with legal counsel.

III. Staff supports GM/BOS recommendation.

Under this recommendation the base year does not change. The concept is to encourage long-term cost control. This approach allows operators to store up credit when costs are below the CPI growth to avoid penalties when minor overages occur. Likewise, when overages occur, operators are encouraged to minimize these and recover. These are significant changes

EXISTING GUIDELINE PROVISIONS

would be exempted from this condition until time as costs exceed the countywide average. When this occurs, any labor contract executed thereafter will be subject to the "pay for performance condition."

ORIGINAL STAFF RECOMMENDATIONS

the countywide average are exempted from this provision; staff is recommending replacing the current exemption with a tiered cost containment standard based on countywide unweighted average costs per revenue vehicle hour for general public services.

Discretionary formula funds - excluding TPM - would be reduced on a dollar-for-dollar basis up to 5%, depending on operator and maintenance employee wage and benefit per revenue hour increases above the standard. Annual targets would be calculated on the prior year target and the appropriate CPI standard.

B. Operators will be allowed to buy back up to 50% of the cost containment penalty assessed for linking automatic wage increases to performance (e.g. attendance, on-time performance, safety).

This recommendation provides an incentive for operators to link automatic wage increases to performance based on attendance, on-time performance and safety in negotiated contracts. This provision will encourage the implementation of pay for performance clauses, with more emphasis on total costs impacts.

GENERAL MANAGERS/BOS RECOMMENDATIONS

penalty will equal the actual cost growth in excess of the CPI, up to 5% of Prop. A maximum formula grant share. Actual cost growth above the CPI is to be calculated as the actual cost per vehicle service hour over and above the CPI target multiplied by the vehicle service hours operated.

B. The CPI target growth rate will be calculated as follows:

1. Determine base year cost. A three year equivalent base year cost will be used as the base for CPI cost analysis purposes as follows:

o Inflate the 1988 total cost per hour to 1990 dollars using the intervening year's CPI;

o Inflate the 1989 total cost per hour to 1990 dollars using the CPI;

o Sum the inflated 1988, the inflated 1989 and the 1990 total cost per hours, and divide by three to determine base year cost.

2. Determine target year cost. The target year cost is the base year cost inflated by the intervening year(s) CPI rate.

o For 1991, the target cost is the base cost multiplied by inflation between 1991 and 1990.

o For 1992, the target cost is the base cost multiplied by inflation between 1992 and 1990.

o For 1993, the target cost is the

FINAL STAFF RECOMMENDATION/RESPONSE

from the current system which does not allow benefit from excellent cost control, and accepts any new cost as the next level for performance measurement.

GENERAL MANAGERS/ BOS
RECOMMENDATION

F I N A L S T A F F
RECOMMENDATIONS/RESPONSE

base year cost multiplied by inflation between 1993 and 1990.

3. Compare the actual cost per vehicle service hour to the target. If the actual cost exceeds the target, and the operator's total cost per hour exceeds the weighted countywide average cost, the operator's allocation will be reduced by the total cost over the target, not to exceed 5% of the maximum allocation. The cost over the target is calculated as actual cost per hour, less target cost, times the actual number of service hours.

4. The first potential penalty under this clause would occur in FY93 allocations based on FY91 performance. No financial impact will occur in FY92, but performance in this year will affect future funding.

IV. Current guidelines, including revisions adopted in FY 1991, shall be effective only for a one-year period (FY 1992 funding), and extensively revised with regard to FY 1992 funding. The Commission would have to adopt additional revisions by December of 1991 in order to be effective in FY 1993.

V. Modify Section 3 of the guidelines to clarify that Section 14 is waived from the Formula Allocation Procedure. Section 14 places a 0.25% cap on formula allocations for Dial-A-Ride operators (Discussion occurred at December 3 BOS workshop; formula action approved on Dec. 6).

IV. Staff is willing to re-evaluate the guidelines in one year, although in the past they have been reviewed every two years. However, staff does not support the recommendation that these guidelines shall be in effect for one year; rather, that the guidelines should remain in effect until revisions are adopted by LACTC.

V. Staff supports GM/ BOS recommendation.

GENERAL MANAGERS/BOS
RECOMMENDATION

F I N A L S T A F F
RECOMMENDATIONS/RESPONSE

VI. Incorporate specific language in the guidelines whereby LACTC will commit to processing MOUs within thirty (30) days of receipt of signed original.

VII. Add language to clarify how Discretionary Funds are carried over from year to year; and

VIII. Incorporate language relating to mandatory drug testing policy.

VI. Staff supports GM/BOS recommendation.

VII. Staff supports GM/BOS recommendation.

VIII. Staff supports GM/BOS recommendation, pending consultation with legal counsel.

INTEROFFICE MEMO



December 19, 1990

MEMO TO: BUS OPERATIONS SUBCOMMITTEE

FROM: DEIDRE HEITMAN *dh*
 State Affairs Representative

RE: SENATE BILL 3

As many of you know, Senator Quentin Kopp reintroduced his bill of last session, SB 2591, relating to STA efficiency standards. This bill, SB 3, is identical to SB 2591, except that the provisions relating to Caltrain were deleted and an urgency clause was added.

SB 3 was passed by the Senate when the Legislature met for a few days in earlier December. Unfortunately, the Assembly held up the bill and will hear it in early January. CTA is urging its members to contact their legislators immediately to request support.

Attached please find a copy of SB 3 and of the Commission's letter in support of this bill.

1
2
3 Introduced by Senator Kopp
4 December 3, 1990
5

6 An act to add Section 99314.7 to, and to repeal and add Section 99314.6
7 of, the Public Utilities Code, relating to transportation, and declaring
8 the urgency thereof, to take effect immediately.
9

10
11 LEGISLATIVE COUNSEL'S DIGEST
12

13 SB 3, as introduced, Kopp. Transportation: transit operations: funding.
14 Under the Sales and Use Tax Law, increased revenues in the Retail
15 Sales Tax Fund estimated to have been received due to the imposition of
16 sales and use taxes at the 43/4% rate and on gasoline, rather than at the
17 5% rate and exempting gasoline; revenues due to the imposition of the
18 sales and use tax on diesel fuel; and sales and use tax revenues
19 resulting from increasing, after December 31, 1989, the rate of tax
20 imposed on gasoline pursuant to the Motor Vehicle Fuel License Tax Law,
21 are required to be transferred to the Transportation Planning and
22 Development Account in the State Transportation Fund. Existing law
23 requires, with respect to the amount so transferred to the account and
24 remaining after appropriations for specified planning, training, and
25 research purposes, (a) that 50% be appropriated to the Department of
26 Transportation for, among other things, bus and passenger rail services
27 and transit capital improvement projects, including abandoned railroad
28 rights-of-way acquisition, (b) that 25% be appropriated for allocation to
29 transportation planning agencies, county transportation commissions, and
30 the San Diego Metropolitan Transit Development Board, based on the ratio
31 of the population of the area under their respective jurisdictions to the
32 total population of the state, and (c) that 25% be appropriated for
33 allocation to those agencies, commissions, and the board on the basis of
34 the ratio of the total revenues of all transit operators in the area
35 under their respective jurisdictions to the total revenue of all
36 operators in the state.

37 This bill would revise, as specified, the eligibility standards
38 applicable to transit operators for allocations by those agencies,
39 commissions, and the board and would impose additional standards
40 applicable to allocations by the Metropolitan Transportation Commission
41 to operators within the region subject to its jurisdiction.

42 The bill would make other related and conforming changes.

43 This bill would declare that it is to take effect immediately as an
44 urgency statute.

45 Vote: . Appropriation: no. Fiscal committee: yes. State-mandated
46 local program: no.
47

48 The people of the State of California do enact as follows:
49

50 SECTION 1. Section 99314.6 of the Public Utilities Code is repealed. []

DELETED MATERIAL IS IN BRACKETS []. ADDED MATERIAL IS CAPITALIZED.

1 [99314.6. (a) Except as provided in subdivision (b), funds shall not]
2 [be allocated pursuant to Sections 99313 and 99314 to an operator whose]
3 [subsidy per revenue vehicle hour in the budget year exceeds the sum of]
4 [the operator's subsidy per revenue vehicle hour in the previous year and]
5 [an amount equal to 90 percent of the change in the Consumer Price Index]
6 [multiplied by the previous year's subsidy per revenue vehicle hour. The]
7 [Consumer Price Index used for each operator shall be the regional index]
8 [for the operator's region.]

9 [(b) An operator which does not qualify for operating funds pursuant]
10 [to subdivision (a) may request a recalculation which excludes certain]
11 [costs from the calculation of the operator's subsidy. A portion of the]
12 [costs of fuel, insurance, and compliance with state or federal mandates]
13 [may be excluded if the cost of any of these items has increased by more]
14 [than 90 percent of the regional Consumer Price Index. The portion that]
15 [may be excluded is that portion in excess of the 90] [percent level]
16 [for any of these items. If, after that recalculation, the operator is]
17 [not disqualified under subdivision (a), the operator shall be eligible]
18 [for an allocation pursuant to Sections 99313 and 99314.]

19 [(c) The transportation planning agency may make a one-time adjustment]
20 [in an operator's subsidy calculation to account for new voter-approved]
21 [tax revenues made available to an operator.]

22 [(d) As used in this section:]

23 [(1) ``Revenue'' means passenger and nonpassenger revenues, but does]
24 [not include proceeds of any taxes allocated to the operator.]

25 [(2) ``Revenue vehicle hour'' means a transit vehicle operated in]
26 [revenue service for one hour.]

27 [(3) ``Subsidy'' means the total operating cost less passenger and]
28 [nonpassenger revenues earned by the operator.]

29 SEC. 2. Section 99314.6 is added to the Public Utilities Code, to
30 read:

31 99314.6. Except as provided in Section 99314.7, the following
32 eligibility standards apply:

33 (a) Except as provided in subdivision (b), funds shall not be fully
34 allocated for operating purposes pursuant to Sections 99313 and 99314 to
35 an operator whose percentage change in total operating cost per revenue
36 vehicle hour in the latest year for which audited data are available
37 exceeds the preceding year's total operating cost per revenue vehicle
38 hour by more than the percentage change in the Consumer Price Index for
39 the same period. If the operator exceeds that percentage increase, the
40 amount of funds allocated by the transportation planning agency, county
41 transportation commission, or the San Diego Metropolitan Transit
42 Development Board, as the case may be, shall be the amount for which the
43 operator is eligible multiplied by the ratio of the percentage change in
44 the Consumer Price Index to the percentage change in the operator's
45 operating cost per revenue vehicle hour. If the ratio is less than
46 one-half, the operator shall not be eligible for any funds pursuant to
47 Sections 99313 and 99314.

48 (b) The transportation planning agency, county transportation
49 commission, or the San Diego Metropolitan Transit Development Board, as
50 the case may be, may adjust the calculation of operating costs and

1 revenue vehicle hours pursuant to subdivision (a) to account for either
2 or both of the following factors as it deems appropriate to encourage
3 progress in achieving the objectives of efficiency, effectiveness, and
4 productivity pursuant to Section 99244:

5 (1) Exclusion of costs increases beyond the change in the Consumer
6 Price Index for fuel, alternative fuel programs, insurance, or state or
7 federal mandates.

8 (2) Exclusion of startup costs for new services for a period of not
9 more than two years.

10 (c) Funds withheld from allocation to an operator pursuant to
11 subdivision (a) shall be retained by the transportation planning agency,
12 county transportation commission, or the San Diego Metropolitan Transit
13 Development Board, as the case may be, for reallocation to that operator
14 for one year following the year of ineligibility. In a year in which an
15 operator's funds are fully allocated pursuant to subdivision (a), funds
16 withheld from allocation during the preceding year shall be allocated in
17 accordance with the ratio specified in subdivision (a) for the current
18 and preceding years combined. Funds not allocated before the
19 commencement of the second year following the year of ineligibility shall
20 be allocated as follows:

21 (1) If there is more than one operator within the jurisdiction of the
22 transportation planning agency, county transportation commission, or the
23 San Diego Metropolitan Transit Development Board, as the case may be, the
24 unallocated funds may be allocated to any operator whose increase in cost
25 per vehicle hour is less than the increase in the Consumer Price Index.
26 Funds allocated under this paragraph are exempt from subdivision (a).
27 The transportation planning agency, county transportation commission, or
28 the San Diego Metropolitan Transit Development Board, as the case may be,
29 shall consult with the affected operators in developing rules and
30 regulations to implement this subdivision.

31 (2) If there is only one operator within the jurisdiction of the
32 transportation planning agency, county transportation commission, or the
33 San Diego Metropolitan Transit Development Board, as the case may be, any
34 unallocated funds shall revert to the Controller for reallocation.

35 (d) As used in this section, the following terms have the following
36 meanings:

37 (1) "Operating cost" means the total operating cost as reported by
38 the operator under the Uniform System of Accounts and Records, pursuant
39 to Section 99243 and subdivision (a) of Section 99247.

40 (2) "Revenue vehicle hours" has the same meaning as "vehicle
41 service hours," as defined in subdivision (h) of Section 99247.

42 (3) "Consumer Price Index," as applied to an operator, is the
43 regional Consumer Price Index for that operator's region, as published by
44 the United States Bureau of Labor Statistics. If a regional index is not
45 published, the index for the State of California applies.

46 (4) "New service" has the same meaning as "extension of public
47 transportation services" as defined in Section 99268.8.

48 SEC. 3. Section 99314.7 is added to the Public Utilities Code, to
49 read:

50 99314.7. Notwithstanding Section 99314.6, the Metropolitan

1 Transportation Commission shall apply the following eligibility standards
2 to the operators within the region subject to its jurisdiction:

3 (a) Funds shall not be fully allocated for operating purposes
4 pursuant to Sections 99313 and 99314 to an operator unless the operator
5 has been found to have made reasonable effort in implementing
6 productivity improvements pursuant to Section 99244. The amount of funds
7 allocated shall be reduced in an amount that the Metropolitan
8 Transportation Commission deems proportionate to the failure of the
9 operator to implement the recommended improvements. The Metropolitan
10 Transportation Commission shall develop rules and regulations, in
11 cooperation with the affected operators, governing the allocation of any
12 funds withheld under this subdivision, subject to subdivisions (b) and
13 (c).

14 (b) Notwithstanding subdivision (a), no operator may receive any
15 funds pursuant to Section 99313 or 99314 unless it has complied with the
16 applicable rules and regulations adopted by the Metropolitan
17 Transportation Commission pursuant to Section 66516 of the Government
18 Code.

19 (c) Funds withheld from allocation to an operator pursuant to
20 subdivision (a) shall be retained by the Metropolitan Transportation
21 Commission for reallocation to that operator for two years following the
22 year of ineligibility. Funds not allocated before the commencement of
23 the third year following the year of ineligibility shall be allocated to
24 any operator within the region subject to the jurisdiction of the
25 Metropolitan Transportation Commission for the purpose of improving
26 coordination among the operators, or to any operator whose increase in
27 cost per vehicle hour is less than the increase in the Consumer Price
28 Index. Funds allocated for these purposes are exempt from subdivision
29 (a). For purposes of this section, "cost per vehicle hour" and
30 "Consumer Price Index" have the same meaning as defined in Section
31 99314.6.

32 SEC. 4. This act is an urgency statute necessary for the immediate
33 preservation of the public peace, health, or safety within the meaning of
34 Article IV of the Constitution and shall go into immediate effect. The
35 facts constituting the necessity are:

36 In order that sales and use tax revenues resulting from the increase
37 in the gas tax and diesel tax may be made available for transit
38 operations in accordance with the eligibility criteria prescribed by this
39 act, it is necessary that this act take effect immediately.
40

NEIL PETERSON
EXECUTIVE DIRECTOR



Los Angeles County
Transportation Commission
818 West Seventh Street
Suite 1100
Los Angeles, CA 90017
213/623-1194

December 13, 1990

Honorable Quentin Kopp
Chairman, Senate Transportation Committee
P. O. Box 942848
Sacramento, CA 95848

Dear Chairman Kopp:

On behalf of the Los Angeles County Transportation Commission, (LACTC), I am writing to inform you of the Commission's support for your bill, SB 3. As with SB 2591 of last session, the Commission supports the revision of the State Transit Assistance (STA) efficiency standards to provide for a fair allocation of funds to transit operators while promoting efficient transit operations.

The Commission believes the standards incorporated in SB 3 represent a workable solution and will promote efficient transit operations. The Commission appreciates your leadership on this issue and will work with you to ensure passage of your bill.

Please feel free to contact me or Claudette Moody, Administrator of State Affairs at (213) 236-9525, if you have any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Neil Peterson", is written over the word "Sincerely,".

NEIL PETERSON
Executive Director

NP:dah

D#5-SB2591.1tr

c: Honorable Richard Katz, Chairman
Assembly Transportation Committee

California Transit Association

Los Angeles Assembly delegation