

APRIL 4, 1997



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TO: BOARD OF DIRECTORS  
FROM: LINDA BOHLINGER  
INTERIM CHIEF EXECUTIVE OFFICER

Los Angeles County  
Metropolitan  
Transportation  
Authority

SUBJECT: RECOVERY PLAN FOR THE PASADENA BLUE LINE

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Los Angeles, CA  
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**RECOMMENDATION**

Approve a Recovery Plan for the Pasadena Blue Line that will allow the project to be completed on schedule by May, 2001 at the approved budget of \$804 million. To achieve this objective, authorize staff to negotiate a three step process with the California Transportation Commission, for (1) deferred local match, (2) reprogramming of 1996 STIP funds and (3) loan of state funds as detailed in the attachment to this report.

**ORGANIZATIONAL IMPACT**

By adopting the staff recommendation, the Pasadena Blue Line Project may be delivered three years earlier and at a cost \$107 million less than that included in the Rail Recovery Plan.

**BUDGET IMPACT**

The staff recommendation will not impact the FY 1996/97 Budget.

**ALTERNATIVES CONSIDERED**

Staff presented three alternative project budgets and schedules for the Pasadena Blue Line to the Board on February 26, 1997. At that meeting, the Board directed staff to pursue state funding for the entire rail program and identify an alternative that would enable the Pasadena Blue Line to be completed within the Board adopted schedule of May 2001 and budget of \$804 million. Staff has evaluated state funding alternatives for the rail program and has identified a three step approach that would meet the objective for the Pasadena Blue Line.

**BACKGROUND**

When the Board adopted the Rail Recovery Plan for the Metro Rail Red Line on January 10, 1997, the Board also instructed staff to return with a plan to complete construction of the Pasadena Blue Line at the earliest possible date. Such a plan would complete the Pasadena Blue Line without impacting funding for bus operations or Metro Rail Red Line construction.

On February 26, 1997 the Board directed staff to determine the amount of funding required to ensure no schedule delay or cost increase for the Pasadena Blue Line, and to work with the CTC to secure additional state financial assistance to deliver the project within the Board-adopted schedule and budget. The Board further directed staff to work with the CTC to secure similar additional state financial assistance for Metro Rail Red Line Segment 3. At the March 19, 1997 Planning and Programming Committee meeting, staff was directed to identify where the funds would be derived from to improve the Pasadena Blue Line schedule and the impact of reprogramming any funds.

### **Pasadena Blue Line**


Pursuant to Board direction, staff developed an alternative that would allow the Pasadena Blue Line to be completed within the Board-adopted schedule of May 2001 and budget of \$804 million. The current Pasadena Blue Line schedule forecast shows a 145 day (5 months) delay which staff is reviewing to minimize. This alternative would require an additional \$151 million in state funds without deferred local match or \$131 million with deferred local match. The additional funds could come from amending the 1996 State Transportation Improvement Program (STIP) and a loan, or a combination thereof. The requested information is included in the attached report, including specific options, the impacts of these options, and a proposed schedule for securing the state funding needed from the CTC.

Staff presented the \$151 million state funding alternative to the CTC on March 4, 1997 for their consideration. The CTC expressed concerns about allocating additional state funds to the project due in part to project delivery issues, their existing significant financial participation in the project of \$394 million, and other competing demands for state funds. Staff is in the process of responding to some of the issues raised at the CTC meeting and will continue to work with the CTC Commissioners and staff to obtain their assistance in developing a plan that would allow the project to be completed as soon as possible.

### **Metro Rail Segment 3**

At its February meeting, the Board also directed staff to explore and negotiate additional state funding needed from the CTC to help address the Rail Recovery Plan of the Metro Rail Red Line Segment 3. Staff has evaluated the impacts of additional state funding for Mid-City and Eastside extensions in the attached report. However, since some of the state funds identified as being available for the Pasadena Blue Line Project are not available for the Mid-City and Eastside Extensions, there is relatively less improvement shown in the schedule and budgets for these extensions. Therefore, staff is recommending that we focus our efforts on seeking additional state funding for the Pasadena Blue Line Project .

Prepared by: Brian Boudreau - Acting Director of Grants Management  
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*Los Angeles County Metropolitan  
Transportation Authority*

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*Pasadena Blue Line  
Recovery Plan*

*April 4, 1997*

# *Pasadena Blue Line Recovery Plan*

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- *In February 1997, the Board directed staff to seek funding to complete the Pasadena Blue Line within the Board-adopted schedule of May 2001 and budget of \$803.9 million.*
- *With deferred local match, an additional \$131 million in funding is required in FY 1999 and FY 2000.*
- *CTC has expressed concern about allocating additional funds to the project.*

# *Pasadena Blue Line Recovery Plan*

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- *At the February 1997 Board meeting, staff was also directed to seek additional state funding to improve the schedules for the Metro Rail Red Line Segment 3 Eastside and Mid-City Extensions.*
- *Staff has identified the options available to provide up to \$131 million to improve the Pasadena, Eastside or Mid-City Extensions schedules and budgets.*

# *Pasadena Blue Line Recovery Plan*

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- *The \$131 million in additional funding may be obtained through a combination of the following options:*
  - A. *Deferred local match on state funds.*
  - B. *Reprogram up to \$77 million in existing funds from the 1996 State Transportation Improvement Program (STIP), with the goal of minimizing impact on project delivery.*
  - C. *Loan up to \$131 million of state funds (requires budget bill or other legislation).*

# *Pasadena Blue Line Recovery Plan*

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## *Recommendation*

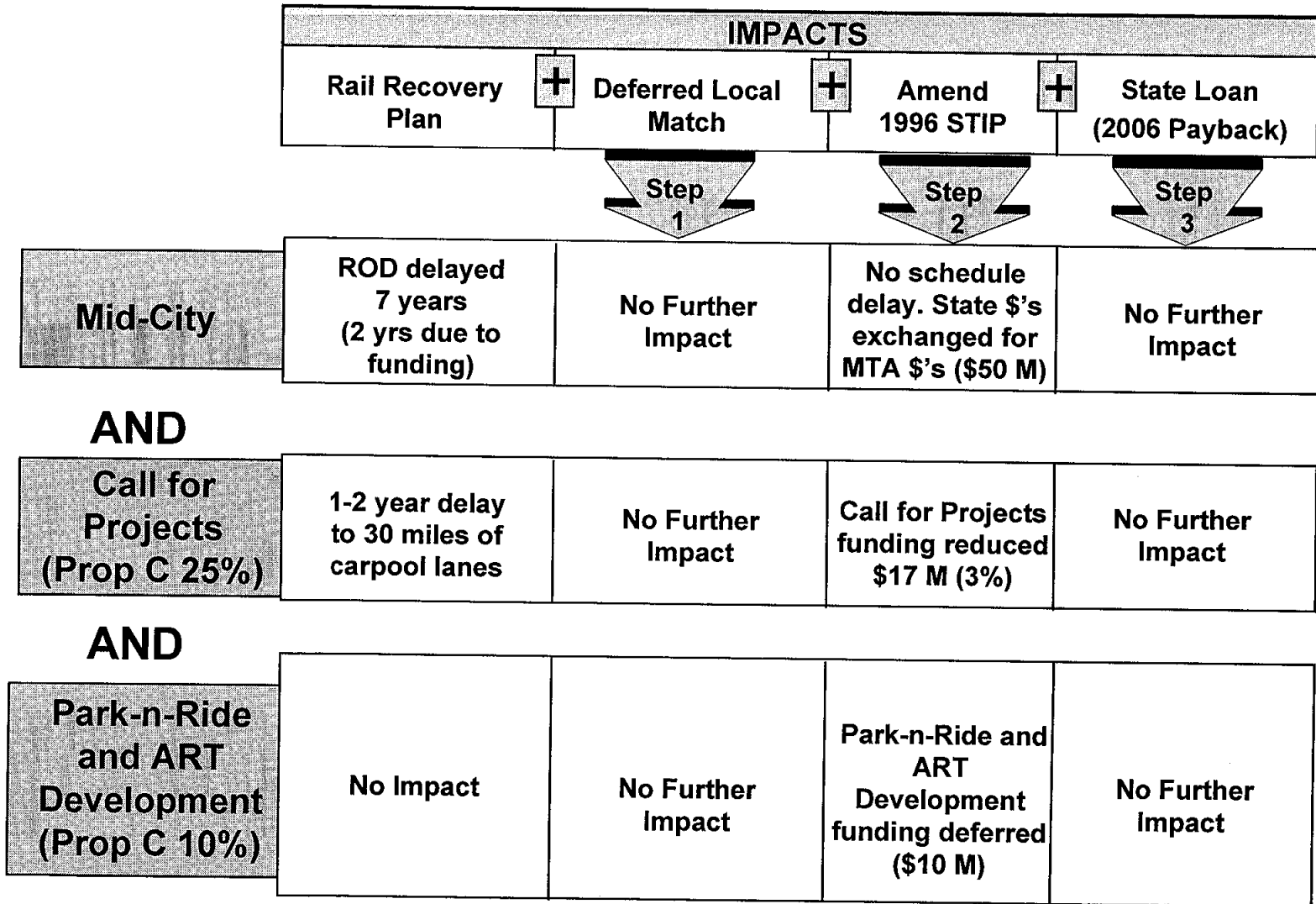
*Negotiate with the CTC for \$131 million for the Pasadena Blue Line Project, to be funded in steps as follows:*

- **Step 1 Deferred Local Match** - *Request the state advance funding as much as possible and defer the MTA's matching funds to the end of the project.*
- **Step 2 Amend the 1996 STIP** - *Request that the state move \$77 million to the Pasadena Blue Line from the projects in Attachment A. Move MTA funds to those projects.*
- **Step 3 State Loan** - *Request a state loan of \$54 million to be repaid in 2006 or later.*





# Los Angeles County Metropolitan Transportation Authority Potential Rail Funding Strategy Impacts



ART - Alternative Rail Technology



Add impacts together

# *Pasadena Blue Line Recovery Plan*

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- *The proposed schedule for implementing the three step process is as follows:*
  - *March to April 1997 - Meet with CTC and state officials to discuss options.*
  - *April 1997 - Present recommended steps to the MTA Board for their approval.*
  - *June 1997 - Seek CTC action on Steps 1 and 2.*
  - *June 1997 - Seek Legislative approval of budget bill authorizing Step 3, the State loan.*
  - *Summer 1997 - Seek CTC action on Step 3, the State loan.*

**ATTACHMENT A (Page 1 of 2)**  
**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**

**1996 ADOPTED STATE TRANSPORTATION IMPROVEMENT PROGRAM**  
**POTENTIAL FLEXIBLE CONGESTION RELIEF PROJECTS ELIGIBLE FOR PROPOSITION C 25% OR 40% FUNDS**  
(\$ thousands escalated)

		SEVEN YEAR 1996 STIP							
		96-97	97-98	98-99	99-00	00-01	01-02	02-03	Total Eligible
Route 30: Foothill to San Bernardino County Line - Gap Closure with HOV Lane	ROW Const.		\$4,400	\$4,400	\$4,500				\$0 \$13,300
Route 405: Route 90 to Route 105 - HOV Lane	ROW Const.			\$3,305					\$0 \$3,305
Long Beach/Los Angeles Blue Line - Construct Imperial Highway Overhead Improvements	ROW Const.			\$9,200					\$0 \$9,200
Metro Rail Mid-City Extension	ROW Const.						\$50,000		\$0 \$50,000
<b>Total Eligible For Prop. C 25% Funds</b>		\$0	\$4,400	\$16,905	\$4,500	\$0	\$0	\$0	\$25,805
<b>Total Eligible For Prop. C 40% Funds</b>		\$0	\$0	\$0	\$0	\$0	\$50,000	\$0	\$50,000
<b>Total Eligible For Prop. C 10% Funds (From Page 2)</b>		\$11,340	\$0	\$0	\$0	\$0	\$0	\$0	\$11,340
<b>Cumulative Total</b>		\$11,340	\$15,740	\$32,645	\$37,145	\$37,145	\$87,145	\$87,145	\$87,145

**Notes:**

1. A total of 25% of the Route 30 project costs are eligible for Proposition C 25% funding. An additional \$13.3 million of Prop. C 25% funding could be added to the \$65.4 million at committed to this project before the eligibility limit is met.
2. While \$87 million has been identified as eligible, only \$77 million will be required for the Pasadena Blue Line. The difference of \$10 million will remain in the 1996 STIP.



## Agenda Item #17

### MTA TECHNICAL ADVISORY COMMITTEE RECOMMENDATION

APRIL 16, 1997

The MTA Technical Advisory Committee (TAC), at its April 16, 1997 meeting, voted to support the concept of the Recovery Plan for the Pasadena Blue Line with the exception of the proposed transfer of \$17 million from the Call for Projects and/or from State Transit Capital Improvement funds which TAC opposes.

Additionally, TAC requested that MTA Staff return to TAC if there are any additional projects or programs other than those indicated in the Board report, that would be impacted by this recovery plan.

# Los Angeles County Metropolitan Transportation Authority Revised Potential Rail Funding Strategies (\$'s in Millions)

		STRATEGIES													
		Rail Recovery Plan		Deferred Local Match		State Loan (\$54 million)		Amend 1996 STIP/TCI (\$67 million)		Step 1		Step 2		Step 3	
		ROD	Budget	ROD	Budget	ROD	Budget	ROD	Budget						
	Pasadena	May 2004	\$911	Nov 2003	\$861	Nov 2002	\$833	Aug 2001	\$804						
	OR														
	Eastside	Nov 2004	\$1049	Nov 2004	\$1049	Nov 2003	\$1030	Nov 2003	\$1030						
OR															
Mid-City	Jul 2009	\$682	Jul 2009	\$682	Jul 2007	\$657	Jul 2007	\$657							

ROD = Revenue Operations Date  
 STIP = State Transportation Improvement Program  
 STEP 3 Total = \$121 Million

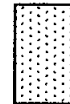
Committee recommendation  
 Add strategies together

# Los Angeles County Metropolitan Transportation Authority Revised Potential Rail Funding Strategy Impacts

IMPACTS				
	Rail Recovery Plan	Deferred Local Match	State Loan	Amend 1996 STIP/TCI
		+ Step 1	+ Step 2	+ Step 3
<b>Mid-City</b>	ROD delayed 7 years (2 yrs due to funding)	No Further Impact	No Further Impact	No schedule delay. State \$ replaced in 98 STIP (\$50 M)
<b>AND</b>				
<b>Transit Capital Improvement</b>	No Impact	No Impact	No Impact	Portion directed to Pasadena in FY 99 and 00 (\$17 M)



Add impacts together



Committee recommendation