

# Attachment A

## South Bay Cities Council of Governments Infrastructure Working Group September 16, 2015 – Meeting Notes

**Attendees:** Rob Beste (Torrance); Stephanie Katsouleas (El Segundo); Gilbert Marquez & Maria Slaughter (Carson); Floriza Rivera (El Segundo); Akbar Farokhi & Alan Leung (Hawthorne); Esther Amaya (Los Angeles); Ed Kao & Joe Parco (Manhattan Beach); Ken Rukavina (Palos Verdes Estates); Diana Reznik (Rancho Palos Verdes); Wisam Altowaji, Didar Khandker & Brad Lindhal (Redondo Beach); Craig Bilezerian & Ted Semaan (Torrance); Jimmy Shih (Caltrans); Pamela Manning & Pat Smith (LA County DPW); Isidro Panuco & Danielle Valentino (Metro); Marcy Hiratzka & Steve Lantz (SBCCOG); Alan Clelland, Sean Daly & Dina Saleh (Iteris)

Chair Beste called the meeting to order at 12:03 pm.

I. **Self-Introductions and Approval of August 19, 2015 Minutes** (Attachment A) – Minutes were approved as presented.

II. **Agencies & Other Reports-**

- **SBCCOG** – Program update No report.
- **SOUTH BAY TRAFFIC FORUM, LA County DPW** – Pat Smith distributed the South Bay traffic Forum Status Report for September 2015. Highlights included: The City of Gardena Traffic Management Center is under construction and is expected to be completed this month; current marketing activities for the El Segundo ITS project are focusing on the CommunityView Cable TV community access channel in the cities. This is provided at no cost to any city and provides discounts for city employees for BlueCommute personalized services.
- **Caltrans** – Jimmy Shih gave the following Measure R project updates:
  - o **MR312.11/EA 0729380**: in construction as of July 2015
  - o **MR312.24/EA 07293070**: project report complete
  - o **MR312.25/EA 0729360**: draft report completed and in circulation for review
  - o **MR312.29/EA 0730990**: NTP given in September 2015
- **L. A. Metro**:
  - o **L. A. Metro Board** – Isidro Panuco reported that the 2015 Call for Projects recommendations are on the September 16<sup>th</sup> Programming & Planning Committee meeting agenda; actions include: programming \$201.9 million in seven modal categories; recommendations responding to the TAC motions regarding the 2015 Call and additional funding recommendations; nominating projects to the California Transportation Commission for 2016 State Transportation Improvement Program funds, and amending the recommended 2015 Call Program of Projects into the FY 2015-2016 Los Angeles County Regional Transportation Improvement Program. Mr. Panuco also noted that no comments were received from South Bay cities on the draft final report of Metro’s South Bay Cities Arterial Performance Measurement Baseline Conditions Analysis. This analysis was conducted as part of the update to the SBHP Strategic Transportation Element. These baseline conditions will be used to measure the before and after impact of projects as SBHP projects are being prioritized and constructed. The analysis tool will be distributed to the lead agencies upon finalization.
  - o **Metro TAC & Streets and Freeway Subcommittee** – Regarding the TAC, Ted Semaan reported that the TAC was given a presentation on Metro’s Wayfinding Signage Grant Pilot Program and Steve Lantz added that Metro staff gave the same presentation prior to the IWG meeting and that SBCCOG staff has extra copies of the PowerPoint presentation. Regarding the Streets & Freeways Subcommittee, Wisam Alltowaji reported that the subcommittee was dark in August and the next meeting is on September 17.

III. **Measure R Updates –**

- **SBHP Project Progress – Financial & Schedule** (Attachment B) – Steve Lantz thanked the South Bay lead agencies for submitting their quarterly and monthly reports on time.
- **Three-Month Look Ahead** (Attachment C) - Steve Lantz emphasized that SBCCOG staff and Iteris are compiling data for the FY2016-22 Metro SBHP Budget Request, which needs to be approved by the SBCCOG Steering Committee and Board by the end of November.
- **Project Spotlight - SBHP Metro Budget Request Preparation Workshop** – Alan Clelland, of Iteris, presented newly developed draft policies that SBCCOG staff proposes to implement for the FY2016-22 MTA SBHP Budget Request and/or out-year budget requests. Steve Lantz precluded the presentation by stating that agency data that is being collected for the FY 2016-2022 MTA SBHP Budget Request is indicating that larger-cost projects may exceed SBHP funds available each year. In response, he added that significant changes in SBHP funding share and a new local match structure are being proposed in this presentation. In addition, the Metro Budget Request is being compiled on the basis of when agencies will need reimbursements for their expenditures (the cash flow

basis) rather than allocating SBHP revenues according to when the lead agency expects to deliver the project (allocation basis). Mr. Clelland said that this is the first time in five years (when the Strategic positioning projects and Early Action projects, were first approved) that pending and new project/study scopes need to be carefully vetted for project eligibility. Mr. Clelland introduced three new terms that Iteris and SBCCOG staff proposed, regarding current and future eligibility: *core* elements, *enabling* elements, and *ancillary* elements. Core elements are needed for the project to achieve reductions in vehicle delay, which is the principal objective of SBHP projects. Enabling elements are incidental to the project and are needed to realize the core elements: (Relocation of utilities, storm drains, street furniture, landscaping, reconstruction of relocated curbs, sidewalks, bus pads, pavement reconstruction required for operational improvement within project area.) Ancillary elements are enhancements to the Core Project, not related to reduction in delay. There are two prerequisites for ancillary elements; they must not increase pre-project vehicle delay, and SBHP funding for Ancillary elements is limited to 10% of the Core element project budget.

Identifying such elements will help rank projects against one another in a cost/benefit analysis. The projects identified to have the best cost/benefit of the use of MR funds will be ranked highest. The key performance indicator will be reduced vehicle hours of delay per SBHP dollar (project cost of SBHP-eligible project elements).

Another slide in the presentation focused on Metro staff's recent ruling on Complete Streets elements in regards to SBHP funds. Complete Street Projects that do not reduce vehicle delay are not eligible for consideration in this year's Metro Budget Request for Measure R funding. Lead agencies are advised to remove ineligible Complete Street project elements from project requests. Complete streets project elements may be submitted as ancillary elements of a Core project request taking into account potential future changes in Metro's eligibility constraints. Another significant proposed change is the way in which SBHP funding shares are determined. Using a three-tiered structure, Mr. Clelland explained that the proposed contribution scale is as follows: If a project is less than \$2 million, it could be 100% funded through the SBHP; a project between \$2 million and \$10 million could be 80% funded through the SBHP; projects over \$10 million could be 50% funded through the SBHP, at a cap of \$50 million. The structure is calculated on a "from first dollar" basis, not incrementally.

The last slide of the presentation focused on the new budget request format. Moving forward, the budget request will list annual estimates of projected cash flow (anticipated by quarter) for each approved SBHP project and study. Mr. Clelland closed by stating that the SBCCOG is proposing a new program goal of 50% freeway and 50% non-freeway applications and that the proposed policies and goals in this presentation may change from year to year. As it may be too late to implement some of these changes for the FY2016-2022 MTA SBHP Budget Request, which is due to Metro at the end of the calendar year, the SBCCOG would like the agencies' input now in order to prepare for future budget requests.

Steve Lantz said that the agencies have previously indicated that geographic equity is less important than regional benefit. He reported that the South Bay Cities Arterial Performance Measurement Baseline Conditions Analysis resulted in useful data that is applicable in this process, such as identifying which projects are on the major congested corridors. Mr. Lantz thanked the agencies that were presently working with Dina Saleh of Iteris and Marcy Hiratzka at the SBCCOG to collect the data for the budget request, which is due on September 18. He said that Iteris would follow up with cities if project/study scopes needed clarification of eligibility.

Stephanie Katsouleas asked if and how Metro is willing to accelerate funds for certain projects that are shovel-ready. Steve Lantz said that he did not think that accelerating funds could happen for this budget request and Isidro Panuco from Metro agreed, saying that the South Bay has yet to deliver a significant percentage of the programmed funding. Ms. Katsouleas also asked where the goal of having 50% freeway and 50% non-freeway applications came from. Mr. Lantz said that, over the last five years, when the majority of projects were small, early-action projects, the South Bay lead agencies focused on Early Action projects and there was little visibility to the Strategic Positioning operational improvement project planning work that is a major element of the SBHP on South Bay freeways and ramps. Going forward, these projects also need to be funded.

Ms. Katsouleas asked what the feasibility is of putting specific projects as line items on the budget request and Steve Lantz said that that option has not yet been considered. Mr. Lantz asked how the SBCCOG should break down the allocation of the program and Ms. Katsouleas suggested an assessment where projects are ranked from 1-5. Ted Semaan suggested having the large projects brought back to a group to reevaluate them. Steve Lantz said that he would consider having an annual new project workshop session for the agencies to discuss the large projects.

Ms. Katsouleas asked if the agencies that were present were content with the proposed match structure, as she felt that the 50% match might not be right for the South Bay. She argued that, if a city cannot meet a match requirement, that city would not get the chance to be funded, which is not fair or realistic. She suggested creating an official appeal process, in the event that a project is not funded. Mr. Clelland suggested that 50% could be increased if neighboring cities banded together and advocated that a project has a regional benefit. Ted Semaan said that cities would not receive support from neighboring cities for a \$20 million project. Ms. Katsouleas said that she felt that the \$10 million mark is too low to require a match. Pamela Manning added that expensive projects may be phased but there are risks involved. Wisam Altowaji thought that the \$50 million cap is too high and that \$20 million would

be more reasonable. Steve Lantz suggested creating a regional program *and* a local program within the SBHP to address both large and small projects, but this would not be applied to the FY 2016-22 MTA SBHP Budget Request. Isidro Panuco added that the productivity of the project is a deciding factor.

Chair Beste acknowledged that projected projects will cost double the available SBHP revenues over the 20 years remaining in the Measure R program and that, although the Call for Projects requirement was appropriate in the past, the SBCCOG may need to set a new funding gap policy before the SBHP Implementation Plan is updated in January 2016 in order to address how to leverage the SBHP with other types of matching funds.

IV. **Adjournment** - Chair Beste adjourned the meeting at 1:30pm until October 21, 2015. Those who wish to include an item on the agenda must e-mail [Marcy@southbaycities.org](mailto:Marcy@southbaycities.org) by October 5, 2015.