

South Bay Cities Council of Governments Infrastructure Working Group Meeting Notes – January 8, 2020

Attendees: Chair Ted Semaan (Redondo Beach); Vice-Chair Ken Berkman (El Segundo); Gilbert Marquez & Ryan Kim (Carson); William Mendoza (Gardena); Marnell Gibson & Lucho Rodriguez (Hermosa Beach); Louis Atwell (Inglewood); Stephanie Katsouleas & Prem Kumar (Manhattan Beach); Nasser Razepoor (Rancho Palos Verdes); Andy Winje (Redondo Beach); James Lee (Torrance Transit); Jimmy Shih, Dan Kopulsky, Olivia Harris & Sergio Carvajal (Caltrans); John Ickis (LA County DPW); Isidro Panuco, Nour Abou-Fadel, Daniel Chuong & Mark Dierking (Metro); Jacki Bacharach, Steve Lantz & David Leger (SBCCOG)

- I. **Self-Introductions and Approval of December 4, 2019 IWG Meeting Notes** – Chair Ted Semaan called the meeting to order at 12:10 pm. The November 13, 2019 meeting notes were approved without objection.
- II. **Evaluation of Applications Submitted for FY20-21 Metro Budget Request / Recommended Additional Funding for Active Measure R SBHP and Measure M MSP Projects / New Measure M Multi-Year Sub-Regional Programs (MSPs) Candidate Projects**

Mr. Lantz gave an overview on the FY20-21 Metro Budget Request (MBR), noting that it has changed from prior cycles because of unresolved Metro consideration of a transfer of Measure R Highway funds to allow funding of both Highway and Transit projects. Mr. Lantz added that there were revised funding availability charts provided to SBCCOG staff one day earlier that dramatically reduces anticipated Measure R SBHP funding. The SBHP is only set to receive approximately \$32M in new funding from Metro over the next 5-year period meaning that there is not only no funding for transit projects, but potentially not enough funding to finish projects already underway either. The revised funding availability charts are available here:

http://southbaycities.org/sites/default/files/infrastructure/HANDOUT_SBHP%20Funding%20Availability.pdf
http://southbaycities.org/sites/default/files/infrastructure/HANDOUT_MSP%20Funding%20Availability.pdf

The transfer process won't be considered for approval by Metro until at least May, but the MBR must be submitted by March in order to be approved by the Metro Board by June. Although there are program changes underway, the current cycle will be processed under existing rules/policies. Mr. Lantz explained that revised exhibits were included in the packet to layout the approximate "Cost to Complete" (CtC) current projects and new project applications. SBCCOG staff and working groups will also have to recommend to the SBCCOG Board whether CtC projects should be funded through Measure R or Measure M.

Mr. Lantz began to address the match policy currently approved by the SBCCOG Board for the Measure R and M programs. Mr. Lantz briefly explained the tiered SBHP policy and noted that there is no Measure M match required at this time. SBCCOG staff is proposing that the Measure R and M programs have the same matching policies, no matter what those policy specifics are. Mr. Lantz added that there is a proposed new match policy that would cap SBHP/MSP funding at \$250M for a project. Prior match policies did not address a funding cap because there were never applications received for a \$1B+ project.

Ms. Katsouleas and Chair Semaan both advocated raising the threshold for the 100% SBHP/MSP tier higher than the proposed \$10M level. Ms. Katsouleas noted that cities do not have millions in funding available to use as matches on smaller projects, and that the programs may benefit from a higher threshold, perhaps even \$20M. She added that very few cities come in for projects over that amount, so few would be impacted by hefty matches on the tiers over \$20M. Mr. Atwell also agreed with this idea.

Mr. Panuco took this time to share his thoughts/comments on the process. He explained that in terms of the transfer, Metro staff will be providing the Metro Board a calendar/schedule for implementing the transfer at the January Board meeting. However, until the transfer is enacted he is not going to be discussing anything more than existing policies/procedures. He noted that thus far, Metro has received zero information about project requests, amendments, etc. for the MBR and that original deadlines discussed may not be achievable. Ms. Bacharach responded that Metro has been invited to every meeting held since 10/31 and has not attended any of them. The list of projects and all related items have been available online and at all of the meetings. Mr. Panuco concluded by reiterating that he will not be reviewing anything beyond Measure R/M highway projects.

Ms. Katsouleas re-stated that she feels the program is handcuffed by the current matching policy and that most South Bay travel is not done on freeways or by transit and that residents are best served by local and arterial street improvements. Mr. Panuco noted that the SBHP is not only a Freeway or only a Local Streets program. Mr. Lantz provided some additional context by explaining the history of the SBHP. It began as a freeway and ramps improvement program which was then expanded to include local arterials within a mile of a highway or freeway. This created a two-tier program of “early action projects” which are local/quick-to-implement projects and “strategic positioning projects” which were larger highway projects that the SBHP helped get ready for construction, by funding early project development and environmental stages.

Ms. Bacharach brought the discussion back to the staff recommendations and the match. She noted that staff is currently recommending that remaining Measure R SBHP funding be used to complete active projects but that no new projects be programmed. Staff will continue to evaluate the applications received for potential Measure M MSP funding. Regarding the match discussion, Ms. Bacharach suggested a sub-committee be formed to develop a proposal for review by the Infrastructure and Transit Operators working groups and approval by the SBCCOG Transportation Committee and Board of Directors. The sub-committee should meet prior to the February meetings so that a recommendation can be developed in time. The group was in agreement with this idea and will provide individuals to serve on the sub-committee.

III. **Review of criteria, match and other issues as well as recommendations for FY 2022-21, FY 2020-25 Measure R SBHP and Measure M MSP Program**

Item discussed above.

IV. **Measure R SBHP Transfer Program (SBHP-TP) Project Selection Process**

At this time, Transit Projects will be reviewed for funding once there is more detail known about the transfer process and timeline.

V. **Annual Performance Evaluation Tool and Summary Table**

Mr. Panuco introduced Daniel Chuong, a new Metro Highway Department staff member. He also announced that Metro is no longer requiring monthly reporting on projects and that the APE report can be stopped. Ms. Bacharach noted that there will be discussion at the Transportation Committee to determine if SBCCOG staff should continue monitoring projects on a more frequent basis than a quarterly report. The December APE report is available here: http://southbaycities.org/sites/default/files/infrastructure/HANDOUT_December%202019%20APE%20Report.pdf

VI. **Three-Month Look Ahead** – Received and filed.

VII. **Announcements & Adjournment**

Chair Semaan adjourned the meeting at 1:45 p.m. until February 12, 2020 (public meeting). To include an item on the agenda, please email Steve Lantz (lantzsh10@gmail.com) by February 1, 2020.