

MINUTES

Regular Board Meeting Board of Directors

One Gateway Plaza
3rd Floor Board Room

Called to Order at 9:32 a.m.

Directors Present:

Antonio Villaraigosa, Chair
Ara J. Najarian, 2nd Vice Chair
Michael Antonovich
Yvonne B. Burke
John Fasana
David Fleming
Richard Katz
Bonnie Lowenthal
Gloria Molina
Pam O'Connor
Bernard Parks
Zev Yaroslavsky
Doug Failing, non-voting member

Officers

Roger Snoble, Chief Executive Officer
Michele Jackson, Board Secretary
Karen Gorman, Ethics Officer
Karen Gorman, Acting Inspector General
County Counsel, General Counsel



Metro

Los Angeles County
Metropolitan Transportation Authority

NOTE: Members voting are reflected on the attached "RECAP OF PROCEEDINGS" matrix.

1. APPROVED **Consent Calendar** Items: 2, 5, 6, 7, 11, 12, 21, 22, 23, 24, 25, 26 and 27.

Item 18 was removed from Consent Calendar.

2. APPROVED ON CONSENT CALENDAR Minutes of **Regular Board Meeting** held June 26, 2008.

3. **Chair's Report** - none.

4. RECEIVED **Chief Executive Officer's Report**.

- Welcomed Director Villaraigosa as the new Chair of the Metro Board.
- Metro will join other transit agencies statewide to urge the State Legislature to retain funding for transit projects through Proposition 42.
- Presented Resolution to Greg Kildare, departing Executive Officer, Risk Management.

5. APPROVED ON CONSENT CALENDAR adopting:

- A. findings and recommendations for using **fiscal year (FY) 2008-09 Transportation Development Act (TDA) Article 8 fund estimates** totaling \$20,649,809 as follows:

1. In the City of Avalon there are unmet transit needs that are reasonable to meet, and the City of Avalon chooses to use \$119,983 of their Article 8 funds for their transit services; therefore, TDA Article 8 funds will be used to meet the unmet transit needs.

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2. In the Antelope Valley, which includes the Cities of Lancaster and Palmdale, and in the Los Angeles County Unincorporated areas of the Antelope Valley, transit needs are met using other funding sources, such as Proposition A and Proposition C Local Return; therefore, there are no unmet transit needs that are reasonable to meet, because other funding sources will be used to address these needs, and TDA Article 8 funds in the amount of \$4,900,789 and \$4,957,015 (Lancaster and Palmdale, respectively) as well as the Los Angeles County Unincorporated areas of the Antelope Valley, may be used for transit and/or street and road purposes.
 3. In the Santa Clarita Valley, which includes the City of Santa Clarita and the Los Angeles County unincorporated areas of the Santa Clarita Valley, transit needs are met with TDA Article 8 funds; however, other funding sources, such as Proposition A and Proposition C Local Return, may be used to address their needs; therefore, there are no unmet transit needs that are reasonable to meet, and TDA Article 8 funds in the amount of \$6,036,893 for the City of Santa Clarita, as well as the Los Angeles County Unincorporated areas of the Santa Clarita Valley, may be used for transit and/or street and road purposes, as long as their transit needs continue to be met.
 4. In the Los Angeles County Unincorporated areas of North County, the areas encompass both the Antelope Valley and the Santa Clarita Valley, the allocation is \$4,635,130.
- B. a resolution making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

6. APPROVED ON CONSENT CALENDAR:

- A. recertifying \$640.9 million in existing fiscal year (FY) 2008-09 commitments from previous **Countywide Calls for Projects** and authorizing the expenditure of funds to meet these commitments;
- B. deobligating \$4 million of previously approved Countywide Call for Projects;
- C. approving \$0.325 million in previously awarded Call for Project funds from our Ramirez Flyover (Project #4302) to evaluate design options which could result in a potential change in scope; (Cont'd on next page)

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D. authorizing:

1. the Chief Executive Officer or his designee to negotiate and execute all necessary agreements for approved projects;
2. the reprogramming or administrative extension of approved project funding for California Department of Transportation (Caltrans) projects as required, to meet Caltrans design and construction time frames; and
3. amendments to the FY 2008-09 budget, as necessary, to include the 2008 Countywide Call for Projects Recertification and Extension funding in the Regional Programs budget and our programmed projects in the appropriate cost center budgets; and

E. receiving and filing time extensions for \$173 million in projects.

7. APPROVED ON CONSENT CALENDAR authorizing the Chief Executive Officer to award a firm fixed price Contract No. PS-4360-2153 to Iteris, Inc. for the **Countywide Metro Rapid Signal Priority Expansion, Phase II Project** to provide professional services in the amount of \$7,998,715, inclusive of an option to purchase and install additional equipment, effective August 1, 2008.
10. AUTHORIZED the Chief Executive Officer to negotiate and award **Excess Liability Insurance policies** not to exceed \$4.3 million for the 12-month period effective August 1, 2008 through July 31, 2009.
11. APPROVED ON CONSENT CALENDAR a memorandum of understanding between the County of Los Angeles, Los Angeles Unified School District and the Los Angeles County Metropolitan Transportation Authority, **limiting government code claims and litigation** against each other and improving public agency defenses against third-party claims.

12. APPROVED ON CONSENT CALENDAR NAJARIAN AND FLEMING
MOTION:

Over the past 10 years, \$167 million has been transferred from Proposition A Growth Over Inflation (GOI) to Prop C 40%. These funds have been bundled into the Metro budget for Board approval, without calling out the specific use for these transferred funds.

I therefore move that *after* the Eligible Operators have received funding from GOI (created for Eligible Operators and the primary use of this fund), and prior to the transfer of unused GOI funds to Prop C 40%, staff bring their recommendations back to the Metro Board through the annual budget process as a separate item.

17. ADOPTED the following position on **State Legislation**:

SB 1350 (Cedillo) – Would use a specified design-build procurement process for the construction of a high occupancy vehicle lane in Los Angeles County.
SUPPORT

18. APPROVED SUBJECT TO RESOLUTION OF PROTEST authorizing the Chief Executive Officer to award a five-year firm fixed unit rate Contract No. PS26102156 to RMI International for **private security contractor services** for an amount not to exceed \$24,363,136, inclusive of two one-year options, effective September 1, 2008.

21. APPROVED ON CONSENT CALENDAR authorizing the Chief Executive Officer to award a 36-month, firm fixed price contract under Bid Number 08-0015 to the following lowest responsive, responsible bidders for **safety gloves** for an amount not to exceed \$1,005,798, inclusive of sales tax and one-year option:

- A. Stag Enterprise, Inc., for line items #10 through #12 (glass handling glove), for a total contract value of \$65,020, inclusive of sales tax;
- B. Extreme Safety, for line items #6 through #9 (hyflex foam glove), #14 (blacksmith glove) and #15 (cotton/canvas glove), for a total contract value of \$370,289, inclusive of sales tax; and
- C. Coast to Coast Safety, Inc., for line items #1 through #5 (nitrile glove), #13 (hood style glove) and #16 (welding glove), for a total contract value of \$570,489, inclusive of sales tax.

22. APPROVED ON CONSENT CALENDAR authorizing the Chief Executive Officer to award a firm fixed unit rate Contract No. OP39600679 to ARINC Incorporated to **upgrade the existing Supervisory Control And Data Acquisition (SCADA) System to include the Metro Gold Line Eastside Extension to the Gold Line** for an amount not to exceed \$1,786,897, inclusive of sales tax and a 10% contingency, effective August 1, 2008.
23. APPROVED ON CONSENT CALENDAR authorizing the Chief Executive Officer to award a firm fixed price contract under Bid No. 08-0016 with PowerUp, Inc., the lowest responsive and responsible bidder, for **223 bus re-power kits** for an amount not to exceed \$2,008,669, inclusive of sales tax.
24. APPROVED ON CONSENT CALENDAR adopting the **Big Rig Service Patrol program** as follows:
 - A. transition the I-710 Big Rig Service Patrol project from a demonstration project to an on-going operation; and
 - B. expand the Big Rig Service Patrol program onto the SR-91 freeway to be funded with a combination of an Air Quality Management District (AQMD) grant and local funds.
25. APPROVED ON CONSENT CALENDAR authorizing the Chief Executive Officer to award a 36-month, firm fixed price contract under Bid No. 08-0010 to the following lowest responsive and responsible bidders for **bus filters** for an amount not to exceed \$3,170,478, inclusive of sales tax and one-year option:
 - A. Tri-Dim Filters Corporation for line item #16 (Screen Ventilation Filter), for a total contract value of \$81,837, inclusive of sales tax;
 - B. Muncie Reclamation and Supply for line items #10 (Hydraulic Fluid Filter Element) and #14 (A/C Return Filter), for a total contract value of \$183,653, inclusive of sales tax;
 - C. NAPA Auto Parts for line item #13 (CNG Spin On Fuel Filter), for a total contract value of \$106,258, inclusive of sales tax;

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- D. H & H Auto Parts Wholesale for line items #1 (Air Intake Engine Filter), #4 (Air Intake 13" Engine filter), #9 (Power Steering/Hydraulic Fan Reservoir Element), #12 (Engine Oil Series 50 Filter) and #15 (Filter Svc. All B400R/B500R Transmission Twin Filters Kit), for a total contract value of \$430,740, inclusive of sales tax;
- E. Vehicle Maintenance Program, Inc. for line items #2 (Air Intake Engine Filter), #3 (Filter – Air Intake Engine Series 50 Diesel), and #5 (Oil Filter Element), for a total contract value of \$699,927, inclusive of sales tax;
- F. Cummins Cal Pacific, LLC for line item #6 (CCV Closed Crankcase Ventilation Racor Element), for a total contract value of \$710,813, inclusive of sales tax; and
- G. North American Bus Industries for line items #7 (Element – Fuel Filter CNG Small 30-oz. Filter Bowl), #8 (Element – Fuel Filter CNG Small 50-oz. Filter Bowl), and #11 (CNG Fuel Filter Element), for a total contract value of \$957,250, inclusive of sales tax.

26. APPROVED ON CONSENT CALENDAR authorizing the Chief Executive Officer to award a 36-month, adjustable rate, indefinite quantity contract under Bid No. 08-0017 for **ultra-low sulfur diesel fuel** to Southern Counties Oil Co., dba SC Fuels, the lowest responsive and responsible bidder, for an amount not to exceed \$15,320,363, inclusive of sales tax and a one-year option, effective August 1, 2008.

27. APPROVED ON CONSENT CALENDAR the following nominees for membership on the **San Gabriel Valley Service Sector Governance Council**:

Harry Baldwin – Reappointment

Appointed by: Cities of San Gabriel and Rosemead

Term ending: June 2011

Joseph Mosca – Reappointment

Appointed by: Cities of Sierra Madre, La Canada-Flintridge, and Pasadena

Term ending: June 2011

Rosie Vasquez – Reappointment

Appointed by: L.A. County Supervisor Gloria Molina

Term ending: June 2011

28. APPROVED AS AMENDED BY ANTONOVICH AND PARKS authorizing the Chief Executive Officer to issue a **Request for Interest and Qualifications (RFIQ) for a new long-term Transit Community Policing contract**; and **ANTONOVICH MOTION** that the Metro Board postpones the release of the Request for Proposals for the Transit Policing Contract until after the full Board can deliberate the proposal and framework for Metro Transit Policing at the July 2008 regular Board meeting.

Parks Amendment that the Metro Board direct the CEO to return for Board approval to enter into exclusive negotiations with the most qualified respondent to provide transit security services over the next five years in response to the proposed RFIQ.

Antonovich and Parks Amendment that the Board of Directors instruct the CEO to do the following:

1. Create an Operations subcommittee composed of Board staff, similar in nature to the Board staff Budget preparation participation process, that will receive periodic updates as requested by this subcommittee.
2. Have staff present to the Operations Committee a full update after approval of the exclusive negotiation agreement.

30. ADOPTED a finding, pursuant to Section 33445(a)(2) of the California Health and Safety Code, that Los Angeles County Metropolitan Transportation Authority (LACMTA) had no other reasonable means to finance the **construction of the new Pico/Rimpau Bus Terminal** except to require the new facility as part of the consideration for the sale of LACMTA's former Terminal 40 site to Etoile Holding (now CIM/PICO) in June 1999.

31. CARRIED OVER:

- A. finding that there is only a **single source of procurement for repair of a Siemens P2000 Light Rail Vehicle** and purchase is for the sole purpose to repair Metro Gold Line Car 243 already in use. The Board hereby authorizes repair of Rail Car 243 pursuant to Public Utilities Code § 130237; and
- B. authorizing the CEO to award a single source firm fixed price contract to Siemens Transportation Systems, Inc. to repair Metro Gold Line Car 243 for an amount not to exceed \$250,000, which represents Metro's insurance deductible portion.

(REQUIRES A 2/3 VOTE OF THE BOARD)

32. AUTHORIZED the Chief Executive Officer to **execute Modification No. 1 to Contract No. PS8310-1267, Rail Consulting Services with LTK Engineering Services**, to extend the period of performance by thirty months and increase the total not-to-exceed contract amount by \$3,919,571 from \$8,588,537 to \$12,508,108.

33. CARRIED OVER:

ANTONOVICH MOTION that the Board of Directors instruct the Chief Executive Officer to **assemble a “Tiger Team” that will do the following:**

- Be in effect for a six-month period until January 31, 2009.
 - The CEO shall bring to the Board an item for consideration to extend the term, and/or modify the mission and composition, of this “Tiger Team” in January 2009.
- Be composed of key members of each of the Metro departments – bus operations, rail operations, planning, finance, communications, government relations, construction, risk management and economic development – as well as County Counsel, the Sheriff’s Department and Caltrans.
- Be convened by the Chief Operating Officer as often as deemed necessary given the trends in ridership and impacts on the system, but with a meeting once a week at minimum to maintain a current level of awareness of Metro ridership issues.
- Evaluate the current implementation and effectiveness of the Metro Five-Year Ridership Plan adopted in November 2007, and propose policies if necessary to the Board.
- Analyze and propose policies for implementation for all elements of the transit ridership experience, including but not limited to issues and policies related to the following:
 - Parking structures and parking costs.
 - Bikes, carts, strollers, wheelchair, and suitcase capacity on buses and rail during peak periods.
 - Rail and bus Rapid line stations.
 - Asset condition of rail system and facility infrastructure to sustain current and future increases in service.
 - Evaluate new rail and bus service plans and the equipment and operating resources to meet them.

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- Advertising and communications focused on acclimating new ridership to Metro service and guidelines.
 - Ridership safety.
 - Economic opportunities associated with ridership growth, such as vending, advertising and customer service, complaints and outreach.
 - Operational efficiency and effectiveness.
 - Metro and non-Metro feeder systems into rail and bus Rapid lines.
 - Lessons learned for application to Eastside, Exposition, and all future rail and bus Rapid lines.
 - Enforcement and evaluation of the customer code of conduct.
 - Evaluation of enforcement of current Metro policies by sheriffs and security force.
- Be authorized under the authority of the CEO to take immediate action to implement temporary policies and decisions across Metro departments specifically designed to mitigate problems associated with the focus of this motion as they arise.
- These policies will expire at the conclusion of each month unless the CEO gains authorization from the Board to continue for a longer period of time.
- Report back to the Operations Committee and the Board of Directors on a monthly basis with the following elements:
- A report on temporary actions approved by the CEO for the prior month, with written justification and rationale.
 - Policy recommendations for the Committee and Board to consider for action on any of the items listed above.
 - An overview of the impact of higher ridership on the Metro system and emergent trends – both positive and negative – in the short term and long term.

34. FAILED:

REVISED ANTONOVICH AND FASANA MOTION that the Metro Board of Directors direct the CEO to reach an agreement jointly with the Construction Authority and the FTA that does the following:

1. Amends the 2008 (or next adopted) LRTP to include the Metro Gold Line Foothill Extension Phase 2A (to Azusa/Citrus) as a project in the constrained (funded) portion according to FTA requirements.

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2. Provides a capital contribution of \$80 million for Metro Gold Line Foothill Extension Phase 2A (to Azusa/Citrus), available when the FTA requires it, and in the color of money deemed most appropriate by Metro's CEO and staff to maintain maximum flexibility for Metro.
3. Makes the necessary operating commitment needed by the FTA for the Foothill Extension.
4. Makes paragraphs 1-3 of this motion contingent upon receipt of \$320 million in federal funding, such that if an insufficient amount of federal funding is leveraged, Metro will not be required to enact paragraphs 1-3.
5. Makes clear that if the federal government does provide federal funding, but in an amount less than \$320 million, then the Metro Board reserves the right to deliberate within an appropriate timeframe decided by FTA whether it will approve this transaction nonetheless.
6. Makes clear that the Construction Authority shall be responsible for all cost overruns associated with the construction of Phase 2A, based on the assumption of a \$400 million project with a Metro contribution of \$80 million.
7. Makes clear that any federal funding secured under this agreement shall be new funding for Los Angeles County and not divert federal funding from nor delay federal funding for other adopted Metro priorities in the 2001 LRTP, particularly the Exposition Line.
8. This motion shall be rendered null and void should the voters of Los Angeles County approve a half-cent sales tax measure in November of 2008 that provides funding for the Foothill Extension.

35. AUTHORIZED:

- A. the Chief Executive Officer to amend the existing **Congestion Reduction Demonstration Initiative Memorandum of Understanding** with the United States Department of Transportation to change the near-term focus of the conversion of high occupancy vehicle (HOV) lanes to high occupancy toll (HOT) lanes and related transit improvements to Interstates 10 and 110, rather than Interstates 10 and 210; and
- B. an amendment to the 2001 Long Range Transportation Plan (LRTP) to remove the I-210 as one of the initial corridors for conversions from HOV lanes to HOT lanes and include the I-110 corridor as a replacement for the I-210 in the demonstration pilot project referenced in the 2001 LRTP.

~~AUTHORIZE the Chief Executive Officer to execute a Memorandum of Understanding with the United States Department of Transportation for conversion of High Occupancy Vehicle (HOV) lanes to High Occupancy Toll (HOT) lanes.~~

36. ADOPTED AS AMENDED:

- A. the ordinance, including Expenditure Plan, ballot language, and Five-Point plan, to **implement a transportation sales tax measure**;
- B. the resolution requesting the Los Angeles County Board of Supervisors to place the ordinance on the ballot for the November 4, 2008 countywide general election; and
- C. an amendment to the FY09 Budget to add \$8.4 million to cover additional election-related costs.

APPROVED AMENDING MOTION BY VILLARAIGOSA, PARKS, FLEMING AND KATZ that the Metro Board direct and authorize the CEO to amend the ordinance to use funds, after Formula Allocation Procedure, from the "Countywide Bus Service Operations, Maintenance, and Expansion" program (category) and revise the expenditure plan to:

- 1. Suspend the Metro Board adopted fare increases scheduled for July 1, 2009 (FY09-10) for one year.

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2. Freeze all Metro fares in the following categories for five years (through June 30, 2013):
 - Student
 - Senior
 - Disabled
 - Medicare

3. In the event that a measure placed on the ballot by LACMTA implementing a sales tax increase of one half of one percent (0.5%) in the County of Los Angeles is not adopted by the voters at the November 4, 2008 election, this motion shall be null and void.

APPROVED KATZ AMENDING MOTION that the Metro Board adopt the following:

1. Exposition LRT Phase II (“Expo”)
 - A. Expo shall remain a priority rail project and receive full funding from local sources.
 - B. LACMTA hereby programs \$115.3 million of Proposition C 25% funds and \$238.0 million of Proposition A 35% Rail Bond funds for Expo in addition to sales tax funds from this measure and other previously programmed funds.
 - C. LACMTA directs that the funding identified in paragraph B of this motion for Expo be placed in the Sales Tax Expenditure Plan.
 - D. If the final project approved by the Metro Board is less than the programmed project cost identified in the adopted 2008 Long Range Transportation Plan, then the Metro Board may reprogram the unused funds to other eligible uses in the subregion.

2. In the event that a measure placed on the ballot by LACMTA implementing a sales tax increase of one half of one percent (0.5%) in the County of Los Angeles is not adopted by the voters at the November 4, 2008 election, this motion shall be null and void.

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APPROVED LOWENTHAL AND BURKE MOTION that if the sales tax measure passes that the Chief Executive Officer return to this Board with an outline for including training and local workforce utilization for all infrastructure projects financed with sales tax proceeds. This would include, but not be limited to, the development of apprenticeship programs and local hiring agreements.

FAILED ANTONOVICH MOTION that the Board of Directors instruct the Chief Executive Officer to bring back amending language for the proposed sales tax ordinance to the Board for a meeting before the August 8th deadline that incorporates the following principles:

1. Base the allocation of funding for new projects, and the definition of new projects, in the sales tax measure on the basis of subregional population in the following areas:
 - a. Gateway
 - b. San Gabriel Valley
 - c. South Bay
 - d. Westside
 - e. Las Virgenes – Malibu
 - f. Northern Corridor Cities (East San Fernando Valley cities plus North County cities, minus La Cañada Flintridge).
 - g. Los Angeles City (excluding San Fernando Valley)
 - h. San Fernando Valley (Los Angeles City portion).
 - i. For purposes of this subregional definition, Montebello shall be split between the San Gabriel Valley and the Gateway Cities.
 - j. Unincorporated areas within these subregions shall be included as part of the subregion.
2. Every six years the populations for these subregions shall be audited and recalculated so that a new share of sales tax funding will be allocated to each of these subregions based on this new population figure.
3. Provide fair allocation of leveraged state and federal funding from this sales tax measure so that overall equity will be maintained throughout the life of this sales tax, with appropriate oversight measures to ensure that this balance is met.

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4. Ensure that project funding within subregions will remain in the subregions should changes be found necessary to the projects listed in the ordinance and to new projects added to the expenditure plan.
5. Ensure that Metro will work with the appropriate subregional governance structures (i.e. COGs) to identify new projects that would receive unprogrammed subregional sales tax dollars, and to program the subregion's share of funding that comes available due to changes in the expenditure plan.

FAILED FASANA, LOWENTHAL AND NAJARIAN MOTION to amend Metro sales tax ordinance as noted below:

1. Page 13, Line 35, New j.

At least every six years of the 30 year program, Metro shall conduct a comprehensive review of projects and programs implemented under the Ordinance to evaluate the performance of the overall program and may revise the Expenditure plan with two-thirds Metro Board approval to maximize use of public funds. The review shall include consideration of changes to local, state and federal transportation plans and policies, changes in funding from the respective funding partners, changes in land use, travel and growth projections, changes in project cost estimates and revenue projections; right-of-way constraints and other project constraints; level of public support for the Expenditure Plan; and the progress of Metro and local jurisdictions in implementing the Expenditure Plan. Metro may amend the Expenditure Plan based upon its comprehensive review, subject to the requirements of Section 11.b of Amendments.

2. Page 15, Section 11.b Amendments, line 9

Delete current language and replace with below language:

Metro shall program an equitable share of the sales tax revenues for highway program on line #40 Attachment A – Page 3 combined with the rail program on line #19 of Attachment A – Page 2 not less than every 6 years based upon annual population share for local jurisdictions to the following subregions:

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Westside Cities, Gateway Cities (excluding half of Montebello), San Gabriel Valley Cities (including La Cañada Flintridge and half of Montebello), South Bay Cities, Northern Corridor Cities (excluding La Cañada Flintridge and including the unincorporated areas of the Las Virgenes – Malibu subregion, North L.A. County subregion and Universal City, Montrose and La Crescenta), and the City of L.A. Each subregion's equitable share shall include the unincorporated population within the subregion noted above. Metro shall consult with local jurisdictions and the Southern California Association of Governments to ensure that local jurisdictions are not duplicated in the subregional equitable analysis of the funds being programmed as specified.

Metro may amend the Expenditure Plan and Ordinance to provide for the use of additional federal, state and local funds, to account for unexpected revenues, or to take into consideration unforeseen emergency circumstances (i.e. natural disasters, acts of terror, etc.). Metro shall notify the Board of Supervisors and each City Council in the County and provide them with a copy of the proposed amendments, and shall hold a public hearing on proposed amendments prior to adoption, which shall require approval by a vote of not less than two-thirds of the Metro Board. Amendments shall become effective forty-five days after the adoption. No amendment to the Expenditure Plan which eliminates a program or project specified in Attachment A shall be adopted unless the Metro Board adopts a finding that the transportation purpose of the program or project to be eliminated will be satisfied by a different program or project. No amendment to Attachment A shall be adopted unless the change is approved by not less than two-thirds of the Metro Board. Any change to funding categories or funding programs included in the Expenditure Plan – Attachment A – Page 1 is prohibited.

3. Page 18, Section 16, line 20

Replace \$200,000,000 million with \$400,000,000 (to be consistent with Attachment A, Page 3 Feuer bill description and Expenditure Plan).

APPROVED NAJARIAN MOTION that any Metrolink funding must be spent within Los Angeles County per the most current Board policy.

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APPROVED KATZ AMENDING MOTION that the Metro Board revise Section 8: Oversight as follows:

- d. ~~The Committee shall select an advisory panel consisting of at least five members.~~ The Committee shall ***select and*** consult with ~~the~~ ***an*** advisory panel when performing its responsibilities required under this Ordinance. The advisory panel shall consist of at least one representative, ***and not more than two***, of the following professions or areas of expertise:
1. Construction trade labor union representative
 2. Environmental engineer or environmental scientist
 3. Road or rail construction firm project manager
 4. Public and private finance expert
 5. Regional association of businesses representative
 6. ***Transit System User***

APPROVED KATZ AMENDING MOTION to amend the Board resolution placing the Sales Tax Ordinance on the ballot by inserting the following new section after the section entitled "Notice of Election:"

WITHDRAWAL OF PROPOSITION

Metro hereby authorizes the Chief Executive Officer to instruct the Registrar-Recorder to withdraw the Proposition from the November 4, 2008 ballot in the event that the California Legislature adopts any statute that prevents the Ordinance from taking effect, or in the event that the California Legislature fails to adopt a statute that provides that the tax proposed by Metro in the Ordinance shall not be considered for the purposes of the combined rate limit established by Section 7251.1 of the Revenue and Taxation Code.

APPROVED KATZ AMENDING MOTION to include the following Technical Amendments (non-substantive) in the Resolution:

Page 2. Ballot Proposition:

- Strike current ballot language and replace with:
Traffic Relief. Rail Extensions. Reduce Foreign Oil Dependence.

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To:

- Synchronize traffic signals;
- Repair potholes;
- Extend light rail with airport connections;
- Improve freeway traffic flow (5, 10, 14, 60, 101, 110, 138, 210, 405, 605, 710);
- Keep senior/student/disabled fares low;
- Provide clean-fuel buses;
- Expand subway/Metrolink/bus service;
- Dedicate millions for community traffic relief;

Shall Los Angeles County's sales tax increase one-half cent for 30 years with independent audits, public review of expenditures, all locally controlled?

Page 4, Election/Registrar-Recorder:

- In the first paragraph, in the phrase "conduct of such special election," strike the word "such" and replace with the word "the."
- In the third paragraph, in the phrase "canvass the returns of said special election," strike the word "said" and replace with the word "the."

Page 4, Arguments

- In the phrase "and any rebuttal arguments" replace "any" with "the" and strike the "s" in "arguments" so that the phrase reads "and the rebuttal argument."

Page 4, Request for Letter Identifying Proposition

- Replace the letter "T" with "A."

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APPROVED **KATZ AMENDING MOTION** to include the following Technical Amendments (non-substantive) in the Ordinance:

Header

- Strike phrase “Working Draft 10”

Section 1: Title

- Following phrase “Traffic Relief and Rail Expansion Ordinance” insert a comma and the phrase “, Imposing a Transactions and Use Tax to be Administered by the State Board of Equalization.”

Section 3: Definitions

- In “Gross Sales Tax” change the phrase “Sales Taxes” to “Sales Tax”
- In “Metro or MTA” change quotation marks to read “Metro” or “MTA”

Section 7: Use of Revenues

- Paragraph (b) in the phrase “allocation ratios described in on page 1 of Attachment A” strike the word “in.”
- Paragraph (d)(3) strike entire paragraph and replace with:

Metro shall allocate no less than the amount of Net Revenues identified in Attachment A as “New Sales Tax – Total” for the project identified in Attachment A as “Capital Project Contingency (Transit).” Funds allocated to “Capital Project Contingency (Transit)” shall be expended as needed to provide additional funding for Capital Projects identified in Attachment A as “Transit Projects.” Metro may expend such funds for debt service, excluding payments for principal, to offset the costs of inflation, or for any other purpose. Metro shall not expend an amount of Net Revenues from Capital Project Contingency (Transit) that is greater than the amount permitted in paragraph (e)(2) for any Capital Project.

- Paragraph (e)(3) strike entire paragraph and replace with:

Metro shall allocate no less than the amount of Net Revenues identified in Attachment A as “New Sales Tax – Total” for the project identified in Attachment A as “Capital Project Contingency (Highway).” Funds allocated to “Capital Project Contingency (Highway)” shall be expended as needed to provide additional funding for Capital Projects identified in Attachment A as “Highway Projects.”

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Metro may expend such funds for debt service, excluding payments for principal, to offset the costs of inflation, or for any other purpose. Metro shall not expend an amount of Net Revenues from Capital Project Contingency (Highway) that is greater than the amount permitted in paragraph (e)(2) for any Capital Project.

- Paragraph (h) in the phrase “Capital Project Contingency Subfund or such other subfund...” replace the first “subfund” with the phrase “line item” and strike the word “other.”

Section 8

- Paragraph (g) in the phrase “except that the Metro may reimburse...” strike the word “the.”
- Paragraph (i) in the phrase “and making findings as to whether Metro has compiled...” the word “making” should be changed to “make.”

Section 11

- Paragraph (d) following the phrase “simple majority vote of the electors” insert the phrase “voting on a measure to approve the amendment.”

Section 14

- Strike title and first paragraph and replace with the following:

SECTION 14: ELECTION

Pursuant to California Public Utilities Code Section 130350, Metro hereby calls a special election to place this Ordinance before the voters. The ballot language shall read as follows:

- Strike ballot language and replace with:

Traffic Relief. Rail Extensions. Reduce Foreign Oil Dependence.

To:

- Synchronize traffic signals;
- Repair potholes;
- Extend light rail with airport connections;
- Improve freeway traffic flow (5, 10, 14, 60, 101, 110, 138, 210, 405, 605, 710);

(Continued on next page)

(Continued from previous page)

- Keep senior/student/disabled fares low;
- Provide clean-fuel buses;
- Expand subway/MetroLink/bus service;
- Dedicate millions for community traffic relief;

Shall Los Angeles County's sales tax increase one-half cent for 30 years with independent audits, public review of expenditures, all locally controlled?

Section 16

- Paragraph (a)(2)(A)(iii) the project "San Fernando Valley North-South Rapidways" is renamed "San Fernando Valley East North-South Rapidways"
- Paragraph (a)(2)(B) the phrase "one half" should be hyphenated as "one-half"
- Paragraph (a)(3) following the phrase "is adopted by the California Legislature in the 2007-2008 legislative session" insert the phrase "and becomes law."

37. CLOSED SESSION:

A. Conference with Legal Counsel - Pending Litigation - G.C. 54956.9(a):

Lisa Crump, et al. (Deborah Vanderberg) v. LACMTA,
Case No. BC366604

APPROVED settlement in the amount of \$425,000.

B. Conference with Legal Counsel - Anticipated Litigation - G.C. 54956.9(b):


Significant exposure to litigation (one case)

NO REPORT.

RECEIVED public comment.

ADJOURNED at 2:54 p.m.

Prepared by: Michele Chau
Board Specialist


Michele Jackson
Metro Board Secretary



RECAP OF PROCEEDINGS

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY REGULAR BOARD MEETING THURSDAY, JULY 24, 2008

		DIRECTORS VOTING													
ATTENDANCE		P	P	P	P	P	P	P	P	P	A	P	P	P	P
ITEM NO.	SUBJECT ITEM	ANTONOVICH	LOWENTHAL	BURKE	PARKS	KATZ	NAJARIAN	VILLARAIGOSA (CHAIR)	KNABE	YAROSLAVSKY	FLEMING	O'CONNOR	FASANA	MOLINA	FAILING
1	APPROVE CONSENT CALENDAR ITEMS: 2, 5, 6, 7, 11, 12, 21, 22, 23, 24, 25, 26 AND 27. ITEM 18 WAS REMOVED FROM CONSENT CALENDAR.	Y	Y	Y	Y	Y	Y	A	A	Y	Y	Y	Y	Y	
2	APPROVE MINUTES OF REGULAR BOARD MEETING HELD JUNE 26, 2008.														
3	CHAIR'S REPORT.														
4	CHIEF EXECUTIVE OFFICER'S REPORT.	A	P	P	P	P	P	P	A	A	P	P	P	A	

