



City of Duarte

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June 25, 2013

Metro Board of Directors
One Gateway Plaza
Los Angeles, CA 90012-2952

Mayor
Margaret E. Finlay
Mayor Pro Tem
Liz Reilly
Councilmembers
John Fasana
Tzeitel Paras-Caracci
Phillip R. Reyes
City Manager
Darrell George

RE: Comments on the Proposed Amendment to the Measure R Expenditure Plan

Dear Chairman Antonovich and Members of the Board of Directors,

On behalf of the City of Duarte, I am writing to express the City's concerns regarding the proposed Measure R Expenditure Plan Amendment. The amendment in its current form is out-of-date, incomplete and needs to be updated. Since Measure R is a taxpayer-approved plan, the proposed amendment should be fully transparent and reflect the will of the voters.


The proposed amendment is incomplete in some cases, and incorrect in others. The expenditure plan was put together in 2008, and since that time, extensive studies have been conducted on many of the transit projects. Regrettably, the proposed amendment does not contain the information from those studies. In addition the amendment does not provide information about the additional cost associated with accelerating selected projects.

In the Transit section there are also a number of obvious examples of line items that contain dated information. The proposed plan continues to show the cost estimates for the I-405/Sepulveda Pass and Santa Ana Branch corridors as "TBD;" while Metro's own financial plan for the accelerated projects shows the cost as \$2.5 billion and \$650 million respectively. Actual cost estimates for completing these two projects must be included in the expenditure plan amendment and include both Measure R funding and the additional costs associated with project acceleration.

The Foothill Extension project is another important example of inaccurate information. The current plan shows an incorrect total cost estimate of \$758 million, and 2017 completion year. This information reflects the initial segment of the project only, not completion of the project as defined in statute. The updated expenditure plan must reflect the true "estimated total cost" of \$1.714 billion to complete the project to Claremont, as well as an updated completion year. Although Measure R will not fully fund the project to Claremont, information related to completing the entire project must be included to meet legal obligations. As METRO has historically done with all underfunded Measure R projects, this project must also include a "TBD" in the "other funding" category for the Foothill Extension project to deal with the funding gap. No additional Measure R funding is expected.

Also absent from the document is the agency's planning work over the last five years. New information on the estimated total cost for each project, the assumed Measure R funding, and the timeline for completion should be updated for each of them. If additional funding is planned for accelerating select projects, that too must be included.

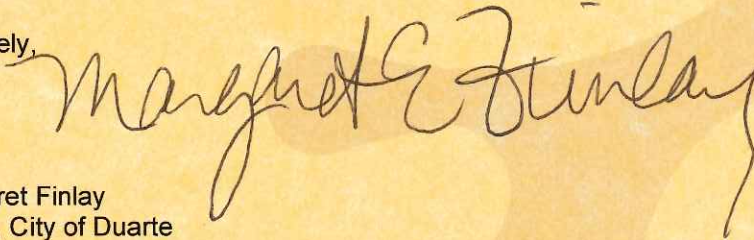
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 = Brand of the original Andres Duarte Rancho

As elected leaders overseeing tens of billions of dollars in transportation funding, financial transparency needs to be a key component of the process. As a legally-required planning document, it should provide a full understanding of how and when Measure R funds are being spent. As the Board considers accelerating the projects, an explanation of how much this acceleration will cost the taxpayers and how these additional costs will impact completion of other Measure R projects is prudent.

I encourage the METRO Board to not accept the current expenditure plan amendment and require staff to provide an updated and accurate plan reflecting the full information currently available about each project. I thank you for your consideration of this information.

Sincerely,

A handwritten signature in black ink that reads "Margaret E. Finlay". The signature is written in a cursive style and is positioned over a large, faint, light-brown watermark of the Metro logo, which is a stylized letter 'M' with an arrow pointing to the right.

Margaret Finlay
Mayor, City of Duarte

cc: Eric Garcetti, Mayor-elect, City of Los Angeles
Art Leahy, Metro CEO
Habib F. Balian, Metro Gold Line Foothill Extension Construction Authority CEO