



ITEM ID: 2023-186-0

TRANSMITTAL DATE: June 2, 2023

MEETING DATE: June 9, 2023

TO: Executive Committee

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: Low Carbon Transit Operations Program (LCTOP) Resolution

Issue

The State of California's Low Carbon Transit Operations Program (LCTOP) requires that the Board adopt a resolution to provide required certifications and assurances and delegate authority for execution of any actions necessary under this grant. An annual resolution is required to receive LCTOP funds.

Recommendation

It is recommended that the Committee recommend that the Board approve Resolution 23-140 Authorization for the Execution of the Certifications and Assurances and Authorized Agent Forms for the Low Carbon Transit Operations Program (LCTOP) for the Metrolink Student Pass Program.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Customers Are Our Business:** We respect and value our customers, putting them at the heart of all we do, and work hard to attract and retain new customers by understanding their needs and finding new and innovative ways to delight them. A free student pass program will make the option of transit more accessible to students who would otherwise not be able to afford it.
- **Advancing Key Regional Goals:** We will grow the role of regional rail in addressing climate change, air quality, and other pressing issues by advancing toward zero emissions, making rail a compelling alternative to single-occupant automobiles and

advancing equity-focused opportunities for all communities throughout Southern California. A free student pass program will encourage new ridership focused on serving low-income households and disadvantaged communities, addressing both emissions reduction and equity.

Background

The Low Carbon Transit Operations Program (LCTOP) is part of the California Climate Investments, a statewide initiative that uses Cap-and-Trade dollars to reduce greenhouse gas (GHG) emissions, strengthen the economy, and improve public health and the environment, particularly in Disadvantaged Communities (DACs). LCTOP funds may be used for operational expenditures that increase transit mode share.

Metrolink has been receiving LCTOP funds since fiscal year 2015 for a variety of operations and capital projects including: optical readers, Tier-4 locomotives, ticket vending devices, fare vouchers, low-emissions equipment, service restoration, and a low-income fare discount program.

For 2023, Metrolink intends to use \$3,999,537 in LCTOP funds to implement a free student pass program, offering free travel anywhere on the Metrolink system to secondary students and, for the first time, to college or university students with a valid student ID. The program aims to further equity on the system as well as develop new lifetime riders.

Staff expects LCTOP funds will be sufficient to offer this program for 6 months, or longer if additional funding is identified.

Discussion

Staff will launch a pilot program to test customer demand for a new student pass, timed with the back-to-school season in the fall, when we hope to win back more lapsed student riders and attract new student riders to Metrolink. The goals of this pilot program align with the Board-adopted Fare Policy Goals and Guiding Principles to:

1. Recover and grow ridership
2. Enable financial sustainability
3. Ensure Equity Use
4. Enhance the customer experience

The program will also support student success and promote sustainability by reducing the environmental impact of transportation. Many public transportation agencies across the nation offer university pass programs including CTA in Chicago, RTD in Denver, MARTA in Atlanta, and DART in Dallas. Metrolink member agencies also offering student pass programs include VCTC, OCTA and L.A. Metro.

Use of LCTOP funds would make the agency financially "whole" on all discounted fares sold. This project would be launched subject to LCTOP's approval of our proposal.

By approving Resolution 23-140, the Board will:

- Authorize the submittal of the project nomination and allocation request to the State for

FY2023-2023 LCTOP funds for a student pass program allowing students free travel throughout the Metrolink service area until the funds are exhausted.

- Agree to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects.
- Authorize CEO Darren M. Kettle, CSO Paul Hubler, and CFO Arnold Hackett to execute all required documents of the LCTOP program.

Budget Impact

There is no budget impact as a result of this report.

Next Steps

Staff will execute all agreements necessary to receive LCTOP funds for the free student pass program.

Prepared by: Tom Schamber, Director, Grants

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

[Attachment A - Board Resolution 23-140](#)

[Attachment B - Sample Authorized Agent Form](#)

[Attachment C - Sample Certifications & Assurances](#)

[Presentation - Low Carbon Transit Operations Program \(LCTOP\) Resolution](#)