

Agenda



Southern California Regional Rail Authority

BOARD OF DIRECTORS

APRIL 24, 2026

Los Angeles County Metropolitan Transportation Authority

Orange County Transportation Authority

Riverside County Transportation Commission

San Bernardino County Transportation Authority

Ventura County Transportation Commission

**BOARD ROSTER
SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY**

<u>County</u>	<u>Member</u>	<u>Alternate</u>
Orange: 2 votes	Doug Chaffee (<i>Chair</i>) Supervisor, 4 th District County of Orange OCTA Board	William Go* Council Member City of Irvine OCTA Board
	Tam Nguyen Public Member OCTA Board	Mark Tettemer* Council Member City of Lake Forest OCTA Board
Riverside: 2 votes	Brian Berkson (<i>Vice-Chair</i>) Mayor City of Jurupa Valley RCTC Board	Michael Vargas* Mayor City of Perris RCTC Board
	Karen Spiegel Supervisor, 2 nd District County of Riverside RCTC Board	Linda Molina* Council Member City of Calimesa RCTC Board
Ventura: 1 vote	Tony Trembley (<i>2nd Vice-Chair</i>) Council Member City of Camarillo VCTC Board	Bob Engler Mayor Pro Tem City of Thousand Oaks VCTC Board
Los Angeles: 4 votes	Kathryn Barger Supervisor, 5 th District County of Los Angeles Metro Board	Eric Ohlsen Mayor City of Palmdale Metro Appointee
	Ara Najarian Mayor City of Glendale Metro Board	Walter Allen, III Council Member City of Covina Metro Appointee
	Tim Sandoval Mayor City of Pomona Metro Board	Pam O'Connor Metro Appointee

	<u>Member</u>	<u>Alternate</u>
	Hilda Solis Supervisor, 1st District County of Los Angeles Metro Board	Gustavo V. Camacho Mayor City of Pico Rivera Metro Appointee
San Bernardino: 2 votes	Larry McCallon Council Member City of Highland SBCTA Board	Javier Dutrey* Mayor City of Montclair SBCTA Board
	Alan D. Wapner Mayor Pro Tem City of Ontario SBCTA Board	Ray Marquez* Vice Mayor City of Chino Hills SBCTA Board

EX-OFFICIO MEMBERS

San Diego Association of Governments:

Joy Lyndes
Council Member
City of Encinitas

Southern California Association of Governments:

Marty Simonoff
Mayor Pro Tem, City of Brea

State of California:

Gloria Roberts
District Director, Caltrans District 7

Alternate:
Marlon Regisford
Caltrans District 7

*Alternate represents either member

BOARD OF DIRECTORS MEETING

FRIDAY, APRIL 24, 2026 – 10:00 AM
LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY (METRO)
BOARD ROOM
ONE GATEWAY PLAZA, 3RD FLOOR
LOS ANGELES, CALIFORNIA 90012

AGENDA DESCRIPTIONS

The agenda descriptions are intended to give notice to members of the public of a brief general description of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Authority may take any action that it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action. The Chair reserves the right to discuss the items listed on the agenda in any order.

A person with a disability may contact the Board Clerk's office at (213) 452-0255 or via email BoardSecretary@scrra.net at least 72-hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including auxiliary aids or services, in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

SUPPORTING DOCUMENTATION

The agenda, staff reports and supporting documentation are available from the Board Clerk, located at 900 Wilshire Blvd., Suite 1500, Los Angeles, CA 90017, and on the Metrolink website at www.metrolinktrains.com under About > Agendas & Documents.

PUBLIC COMMENTS ON AGENDA ITEMS AND ITEMS NOT ON THE AGENDA

Metrolink welcomes comments from the public. Please fill out a Speaker's Form and submit it to the Board Clerk before the start of the meeting. If you know in advance of the meeting that you would like to make a public comment during the meeting, you may also email BoardSecretary@scrra.net. Please include your name and the number of the agenda item on which you would like to speak, or if you would like to speak on a non-agenda item. Each speaker will be allotted no more than 3 minutes to speak. This time frame may be extended or limited by the Board Chair in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting. **Public Comment on Non-Agenda Items:** Please indicate on your speaker form that you wish to speak on a non-agenda item. Comments should be limited to matters within Metrolink's subject matter jurisdiction. **Public Comment on Agenda Items:** Speakers on individual agenda items will be called in order of sign-up before any Board action is taken on the item. Comments should be limited to the agenda item.

1. **Call to Order**
2. **Safety Briefing**
3. **Pledge of Allegiance**
4. **Roll Call**
5. **Public Comment**
6. **Approval of Consent Calendar Items: 12.A-12.I**

All Consent Calendar items are listed at the end of the agenda.

7. **REGULAR CALENDAR**

7.A **Transmittal of a Request for a Three-Month Continuing Appropriations Resolution for the Authority's FY2026-27 Budget**

The Authority is required, under the Joint Powers Authority (JPA), to secure authority of the Board of Directors to transmit to the Member Agencies, on or before May 1 of each year, a Proposed Budget for the coming fiscal year for individual agency consideration and approval. Financial constraints presented by Member Agencies on January 5, 2026 and April 2, 2026 and the need for SCRRA's ridership forecasting consultant to rebuild its forecasting model and reforecast for the remainder of FY26 and future years, have significantly delayed the budget development process and impeded the Authority's ability to transmit a completed proposed FY27 Budget by the deadline prescribed by the JPA. Board-approved Finance Policy 1.1 allows the Board to adopt a continuing appropriation resolution until such time as the SCRRA proposed budget is approved.

It is recommended that the Board approve:

1. The request to delay transmittal of the proposed FY27 Budget to the Member Agencies by May 1st and defer consideration and adoption of the proposed FY27 Budget by June 30th as required by the Joint Powers Authority; and
2. Transmission of the request to our Member Agencies for a three-month continuing appropriations resolution in lieu of the Authority's FY27 Budget. This allows extended time for development and transmittal of a Proposed FY27 Budget from the Authority to the Member Agencies by August 1st, with consideration and adoption by Member Agencies by September 30, 2026.

Approval of this item will provide temporary funding for Metrolink without adoption of a budget. At such time as an FY27 budget is adopted, the amounts due from Member Agencies for the entire year will be as adopted, and any adjustments to 1st-quarter support will be reflected in their 2nd-quarter invoices.

7.B Contract No. SP544-22 - Security Services for Metrolink - One Year Contract Extension - Universal Protection Service, LP, dba Allied Universal Security Services

A one-year contract extension is necessary to continue private security services for Metrolink through June 30, 2027.

It is recommended that the Board authorize the Chief Executive Officer to:

1. Extend Contract No. SP544-22 for Security Services for Metrolink with Allied Universal Security Services for one year; and
2. Increase the contract authority by \$6,088,364.05 to a new not-to-exceed authority of \$31,617,513.36.

The amounts for which contract authority is requested are included in the Proposed Operating Budget for FY2027. Availability of funds are contingent upon the Board adoption of the FY27 Budget.

7.C World Cup and LA28 Quarterly Update

This report provides an update on Metrolink's ongoing planning efforts for the 2026 World Cup and the 2028 Olympic and Paralympic Games.

Receive and file.

7.D FY26 Monthly Report of Ridership, Revenue, and Financial Results for March 2026

Our goal is to transform Metrolink into a regional public transit service provider. Primary among the initiatives to accomplish this transformation is the Optimized Service Schedule, which took effect on October 21, 2024. An additional critical objective is to control expenses in an operating environment which is driven by structural maintenance required by safety considerations whose costs are fixed.

This report covers monthly Ridership, Revenue, and Financial Operating Performance for the nine ended March 31, 2026. Note that staff is reporting on the performance of an immediately previous month. Understanding the value of the most current information for governance of the organization, we are committed to bringing the immediately previous month to the Board and the monthly financial closing allow us the time to do so.

The Ridership and Revenue data emphasizes "By Line" performance. The reporting also displays the effect of farebox subsidies in this year compared to last year. This more focused view may help identify opportunities for accelerating ridership growth. Financial performance reporting emphasizes adherence to budget, particularly at the Member Agency Support Line.

Receive and file.

7.E Capital Program Status Report

Staff is providing an update on the progress of the Authority's Capital Program, including the Southern California Optimized Rail Expansion (SCORE) Program and the State of Good Repair Program.

Receive and file.

7.F April Legislative Update

Staff provides a regular monthly update on current legislative affairs.

Receive and file.

8. Chief Executive Officer's Report

- Authority Update

9. Board Members' Comments

10. Chair's Comments

11. Closed Session

- A. CONFERENCE WITH LABOR NEGOTIATOR – Pursuant to Government Code Section 54957.6
Agency Designated Representatives: Alberto Lara, Rod Bailey and Irma Rodriguez Moisa
Employee Organization: Amalgamated Transit Union Local 1277

12. CONSENT CALENDAR

12.A Approval of Meeting Minutes - March 27, 2026 Regular Board Meeting

It is recommended that the Board approve the Minutes of the March 27, 2026 Regular Board Meeting.

12.B Purchase Orders No. EP246A-26 and EP246B-26 - Specialized Maintenance of Way Equipment - Recommendation to Award - Plasser American Corporation and Knox Kershaw Inc.

The Authority requires the following Specialized Maintenance-of-Way equipment to support field work along the Authority's Right-of-Way:

- Railroad Production and Switch Tamper
- Dynamic Track Stabilizer
- Ballast Regulator

It is recommended that the Board authorize the Chief Executive Officer to award the following Purchase orders in a total not-to-exceed amount of \$4,869,502.75:

1. EP246A-26: Plasser American Corporation - \$4,248,150.02
2. EP246B-26 Knox Kershaw Inc. - \$621,352.73

These Purchase Orders are for the one-time purchase of the Maintenance-of-Way Equipment listed above. This award is subject to resolution of any timely filed protests.

The amounts for which contract authority is requested are included in the Adopted Capital Budgets for FY2024-25 (\$4,869,502.75).

12.C Contract No. SP649-26 - Planning Support Services - Recommendation to Award Bench Contract

The Authority requires continued consultant support to help perform multidisciplinary planning services.

It is recommended that the Board authorize the Chief Executive Officer to:

1. Award Bench Contract No. SP649-26 for Planning Support Services to:
 - SP649A-26 - Jacobs Engineering Group Inc
 - SP649B-26 - HDR Engineering, Inc
 - SP649C-26 - Mott MacDonald
 - SP649D-26 - WSP USA Inc
 - SP649E-26 - Kimley-Horn and Associates, Inc; and
2. Approve a total not-to-exceed contract authority amount of \$8,000,000 for the bench contract for a term of five years. Work under this bench contract will be authorized through the Contract Task Order (CTO) process on an as-needed basis.

The amount for which contract authority is requested is included in the Adopted Operating Budget for FY26 (\$378,020). Funding for subsequent years (FY27 and beyond) will be requested through the annual budget or an equivalent process. There is no financial commitment with respect to subsequent years, and work will be authorized only if funding is approved.

12.D Adoption of Revised Finance Policy - FIN 4.1 - Fixed Assets

Staff is proposing an update to Accounting Policy FIN 4.1 – Fixed Assets to incorporate guidance on the impairment of fixed assets and the accounting treatment of insurance recoveries associated with impaired fixed assets, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 42.

It is recommended that the Board approve revisions to Finance Policy FIN 4.1 - Fixed Assets.

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

12.E Grants Quarterly Update - 3rd Quarter, FY 2026

Staff is providing an update of grant acquisition, reprogramming and closeout activity for the period of January 1 to March 31, 2026.

Receive and file.

12.F Internal Audit Department Quarterly Update for Q3 FY 2026

The Internal Audit Department (Internal Audit) provides quarterly updates on internal and external audits and other activities. This item represents the third quarter of FY 2026 (January 1, 2026, to March 31, 2026).

Receive and file.

12.G Corrective Action Status Update - Third Quarter Ended March 31, 2026

The Internal Audit Department (Internal Audit) provides the Board with a quarterly report on the status of the corrective actions of prior audits.

Receive and file.

12.H Quarterly Report of Contracts Awarded and Executed Under the Chief Executive Officer's Authority

The Board of Directors approved the Authority's revised Procurement and Contracting Policies (Revised Policies) on November 8, 2019. Section 3 of the Revised Policies requires the Chief Executive Officer (CEO) to provide a quarterly report to the Board with a list of contracts awarded above \$250,000 and under the CEO's contract award authority of \$500,000.

Receive and file.

12.I Quarterly Compensation Report - 3rd Quarter of Fiscal Year 2026 - January 1, 2026 through March 31, 2026

In compliance with HR Policy No. 2.1, Wage and Salary Administration – Salary Program Administration, staff is required to make quarterly and annual reports to the Board on compensation matters.

Receive and file.

13. ADJOURNMENT



ITEM ID: 2026-199-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Tom Schamber, Chief Financial Officer

SUBJECT: Transmittal of a Request for a Three-Month Continuing Appropriations Resolution for the Authority's FY2026-27 Budget

Issue

The Authority is required, under the Joint Powers Authority (JPA), to secure authority of the Board of Directors to transmit to the Member Agencies, on or before May 1 of each year, a Proposed Budget for the coming fiscal year for individual agency consideration and approval. Financial constraints presented by Member Agencies on January 5, 2026 and April 2, 2026 and the need for SCRRA's ridership forecasting consultant to rebuild its forecasting model and reforecast for the remainder of FY26 and future years, have significantly delayed the budget development process and impeded the Authority's ability to transmit a completed proposed FY27 Budget by the deadline prescribed by the JPA. Board-approved Finance Policy 1.1 allows the Board to adopt a continuing appropriation resolution until such time as the SCRRA proposed budget is approved.

Recommendation

It is recommended that the Board approve:

1. The request to delay transmittal of the proposed FY27 Budget to the Member Agencies by May 1st and defer consideration and adoption of the proposed FY27 Budget by June 30th as required by the Joint Powers Authority; and
2. Transmission of the request to our Member Agencies for a three-month continuing appropriations resolution in lieu of the Authority's FY27 Budget. This allows extended time for development and transmittal of a Proposed FY27 Budget from the Authority to the Member Agencies by August 1st, with consideration and adoption by Member Agencies by September 30, 2026.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on Member Agency support while bringing our system into a state of good repair and investing in the development of our employees. Providing current and accurate information based on factual data to our Board enhances their oversight and ability to provide direction.

Background

On June 27, 2025, the SCRRA Board of Directors adopted the FY26 Operating Budget for Metrolink. The Budget reflected Operating Revenue of \$76.9M, Expenses of \$352.4M, and Member Agency Support of \$275.5M. The FY26 Budget approved for the Capital Program totaling \$155.88M, consisting of \$137.5M SGR and \$18.4M New Capital.

The Board of Directors also adopted the FY26 Operating Budget for Arrow Service, which reflects Operating Revenue of \$690K, Expenses of \$18.2M, and Member Agency Support of \$17.5M. The Capital Program approved for Arrow totaled \$924K, comprised of \$500K SGR and \$424K New Capital.

On February 27, 2026, the Board of Directors adopted an amendment to the FY26 Metrolink Operating Budget in the amount of an addition to operating expense of \$914,029.

On February 27, 2026, the Board of Directors also adopted an amendment to the FY26 Metrolink Capital Budget (State of Good Repair) in the amount of an additional \$500,000.

Production of the FY27 Budget began in on September 10, 2025. On January 5, 2026, a communication was received from the Orange County Transportation Authority stating that financial constraints limited their ability to support Metrolink Operations to an amount no greater than 10% below their funding for FY26 Budget. On April 2, 2026, a communication was received from the Los Angeles County Metropolitan Transportation Authority that financial constraints limited their ability to support Metrolink operations to an amount no greater than to 3% below their funding for the FY26 Budget. Furthermore, that amount would remain flat for three additional years through FY 2030.

Furthermore, in mid-FY2026 it became very apparent that the ridership forecast that was the basis for fare revenue for the FY 2026 was significantly overly optimistic and would be so in future years. SCRRA's forecasting consultant, Sperry/KMPG, was directed to review their forecasting tool and make adjustments to reflect post-pandemic realities and develop a reforecast with those adjustments factored into the new model. That exercise took several months and with proper vetting by SCRRA staff the new "reforecast" which aligns with current ridership growth was finalized in early February 2026. Unfortunately, the delta between the original forecast and the updated forecast leads to an approximate \$15 million in unrealized fare revenue in FY 2026 with the updated forecast for FY 2027 following that slow fare revenue growth trend.

Discussion

Producing a budget that meets the funding constraints requested by Member Agencies and the now more realistic fare revenue forecast will require a significant reduction in train service to arrive at a balanced budget. Such a service reduction will entail rework of schedules and new costs from our Train Operator and Mechanical Maintenance vendor. In addition, with a new schedule, it will be necessary to obtain a revised revenue forecast from Sperry Capital/KPMG. This last item will require 5 weeks to prepare.

It is important to note that our contract with Alstom requires 6 months' advance notice for the indicated level of schedule reduction and a renegotiation of mechanical fees.

For these reasons, staff will be unable to complete the FY27 Budget in time to forward it to Member Agencies by May 1 and will not be able to bring a FY27 Budget to the June board for approval.

Board approved Finance Policy Section 1.11 states:

The Board of Directors adopts the proposed budget by June 30th of each fiscal year for the following fiscal year commencing on July 1st. In the event that the Board of Directors does not adopt the SCRRA Budget by June 30th, the Board may adopt a continuing appropriations resolution until such time as the SCRRA proposed budget is approved. In approving the proposed budget and any Board-approved amendments, the Board shall authorize SCRRA to expend funds under the direction of the CEO.

A continuing appropriations resolution provides that payments for services performed on behalf of SCRRA shall continue until such time as an SCRRA Budget is adopted.

Transmittal of a request to the Member Agencies for a three-month continuing appropriation resolution will allow the Authority to use funds not to exceed Q1 of the FY2025-26 adopted budget to maintain uninterrupted operations until the FY27 Budget is adopted.

Budget Impact

Approval of this item will provide temporary funding for Metrolink without adoption of a budget. At such time as an FY27 budget is adopted, the amounts due from Member Agencies for the entire year will be as adopted, and any adjustments to 1st-quarter support will be reflected in their 2nd-quarter invoices.

Next Steps

Should the Board approve the recommendations, staff will transmit the request to the Member Agencies by April 30, 2026. Upon approval by all Member Agencies, staff anticipates presenting the formal approval for a continuing appropriation to the Metrolink Board at its June 26 meeting.

Prepared by: Christine J. Wilson, Assistant Director, Finance

Approved by: Tom Schamber, Chief Financial Officer

Attachment(s)

[Presentation - Approval for Transmission of Continuing Resolution](#)



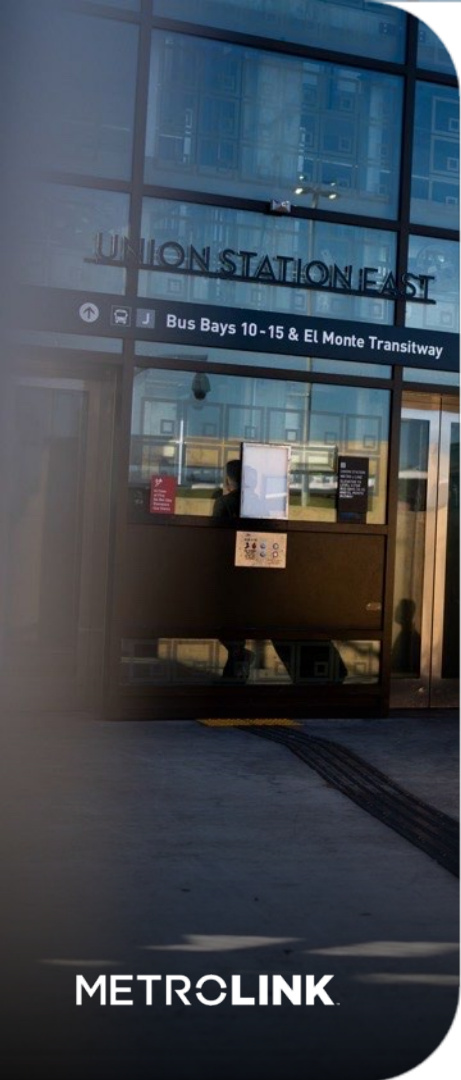
METROLINK

**Approval to Transmit request for
Continuing Appropriations Resolution**



Context of Request

Financial constraints presented by Member Agencies on January 5, 2026, and April 2, 2026, impede the Authority's ability to transmit a completed proposed FY27 Budget by the deadline prescribed by the JPA, while accommodating reductions to meet Member Agencies' requests.

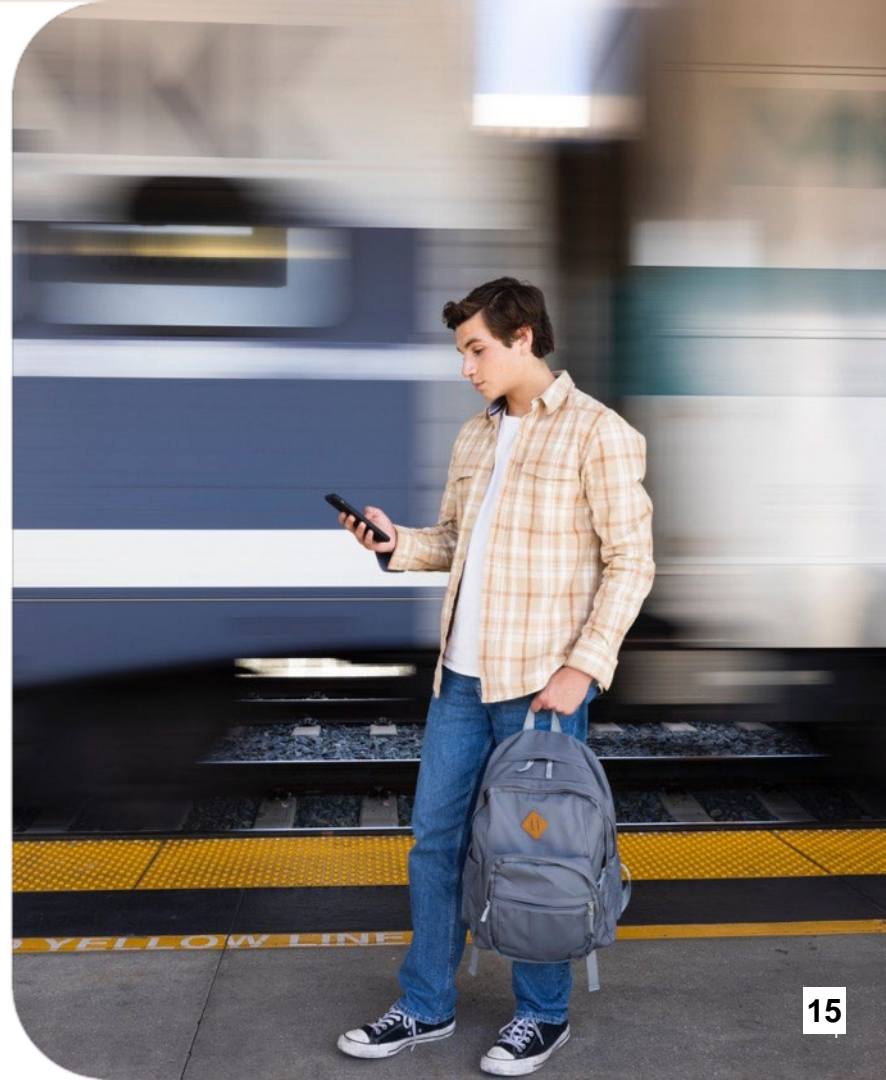


Current Situation

- Producing a budget that meets the funding constraints requested by Member Agencies will require a significant reduction in train service.
- A service reduction of the magnitude we estimate will be needed, will entail rework of schedules and new costs from our Train Operator and Mechanical Maintenance vendor.
- A new schedule makes it necessary to obtain a revised revenue forecast from Sperry Capital/KPMG which will require 5 weeks to prepare.

Policy Based Solution

Board-approved Finance Policy 1.1 allows the Board to adopt a continuing appropriation resolution until such time as the SCRRA proposed budget is approved.



Request Board Approval of:

- 1) The request to delay transmittal of the proposed FY27 Budget to the Member Agencies by May 1st and defer consideration and adoption of the proposed FY27 Budget by June 30th as required by the Joint Powers Authority; and
- 2) The transmittal of a request to our Member Agencies for approval of a three-month continuing appropriations resolution to provide funding in lieu of the Authority's FY27 Budget. This allows extended time for development and transmittal of a Proposed FY27 Budget from the Authority to the Member Agencies for consideration and adoption by Member Agencies' Boards and Metrolink's Board by September 30, 2026.



METROLINK

Thank you.



ITEM ID: 2026-136-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Hilary Konczal, Chief Safety, Security and Compliance Officer

SUBJECT: Contract No. SP544-22 - Security Services for Metrolink - One Year Contract Extension - Universal Protection Service, LP, dba Allied Universal Security Services

Issue

A one-year contract extension is necessary to continue private security services for Metrolink through June 30, 2027.

Recommendation

It is recommended that the Board authorize the Chief Executive Officer to:

1. Extend Contract No. SP544-22 for Security Services for Metrolink with Allied Universal Security Services for one year; and
2. Increase the contract authority by \$6,088,364.05 to a new not-to-exceed authority of \$31,617,513.36.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Safety is Foundational:** We will stay on the leading edge by deploying new technologies and processes to enhance the safety and security of our riders, our fellow employees, and the communities we serve. Law enforcement and private security services provide safety and security to the Metrolink commuter rail system and its passengers.

Background

The Authority has contracted with Allied Universal Security Services for private security services since 2016. Allied Universal Security Services provides protection for the Authority's patrons, passengers, personnel and property, both in and around Authority's passenger stations, yards, shops, maintenance facilities, terminals, and layovers, as required by the Authority.

The primary mission of the Authority's law enforcement and private security services is to ensure public safety onboard the trains, to coordinate enforcement with the cities along the Authority's right-of-way, and to assist with the Authority's fare enforcement and physical security program.

Discussion

Allied Universal plays a significant role in our FIFA World Cup Security Operations Plan (SOP) protecting our infrastructure and ensuring public safety protections during the games and fan fests. There are eight scheduled games in Los Angeles (June 12, 15, 18, 21, 25, 28, July 2 and 10, 2026). In addition to the scheduled games, there will be many FIFA-sponsored World Cup Fan Zone events and watch parties occurring throughout Southern California.

Under Contract No. SP544-22, Allied Universal Security Services provides armed and unarmed security officers at passenger stations and onboard trains, as well as train yards, layover facilities, and outlying locations and facilities. The Contract was awarded by the Board on May 28, 2021, for a 5-year base term and expires on June 30, 2026. Staff returns to the Board to request a one-year contract extension to minimize operational impact and to ensure public safety during the 2026 FIFA World Cup games starting in June 2026. The contract end date falls in the middle of the World Cup Games. Onboarding a new security contractor during this time would impose operational and security risks. Bringing a new security contractor on board requires planning, system familiarization, immobilization scheduling, and training new security personnel on our agency's security protocols and World Cup Security Operations Plan (SOP). This contract extension is requested in order to continue to provide the level of safety and security necessary to handle the increase in ridership and crowds, maintain peace, and guard against significant security events to the Metrolink system.

Staff will continue to work on a Request for Proposal (RFP) for a new security contractor and will return to the Board to award a new contract.

Budget Impact

The amounts for which contract authority is requested are included in the Proposed Operating Budget for FY2027. Availability of funds are contingent upon the Board adoption of the FY27 Budget.

Next Steps

Upon Board approval, staff will execute a contract amendment with Allied.

Prepared by: Tinh Quach, Manager II, Security
 Arisa Hicks, Contract and Compliance Administrator
 Hilary Konczal, Chief Safety, Security and Compliance Officer

Approved by: Hilary Konczal, Chief Safety, Security and Compliance Officer

Attachment(s)

[Presentation - Private Security Contract Extension](#)



METROLINK

**Contract Extension for Contract No. SP544-22
for Security Services**



METROLINK

Discussion

- Allied Universal plays a significant role in our FIFA World Cup Security Operations Plan (SOP) protecting our infrastructure and ensuring public safety protections during the games and fan fests.
- The current contract with Allied expires June 30, 2026. Staff are returning to the Board to request an option year be added extending the contract expiration date to June 30, 2027.
- Onboarding a new security contractor requires planning, system familiarization, immobilization scheduling and training security officers on our agency and World Cup SOP.

Recommendation

It is recommended that the Board authorize the CEO to:

- Extend Contract No. SP544-22 for Security Services for Metrolink with Allied Universal Security Services for one year.
- Increase the contract authority by \$6,088,364.05 to a new not-to-exceed authority of 31,617,513.36.



A Metrolink train is shown from a side-on perspective, moving along a track that runs parallel to a beach. The train is white with blue and grey horizontal stripes. The word "METROLINK" is printed in large blue letters on the side of the train, and the number "605" is visible below it. The train is positioned on the left side of the frame. To the right of the train is a rocky embankment, followed by a sandy beach. The ocean is visible on the right, with waves breaking onto the shore. The sky is a mix of blue and orange, suggesting a sunset or sunrise. The overall scene is peaceful and scenic.

METROLINK

Thank you.



ITEM ID: 2026-185-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: World Cup and LA28 Quarterly Update

Issue

This report provides an update on Metrolink's ongoing planning efforts for the 2026 World Cup and the 2028 Olympic and Paralympic Games.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the following 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. Metrolink will fulfill critical regional transportation needs for both existing and new riders when Los Angeles and the Southern California region host upcoming mega events, including the 2026 World Cup and the 2028 Olympic and Paralympic Games.
- **Connecting and Leveraging Partnerships:** We will forge new and enhanced relationships with our public and private partners to integrate and coordinate connecting services, providing residents throughout Southern California with better, seamless, sustainable alternatives to driving. Partnerships with transportation providers in the region, as well as with the LA28 Olympic organizing committee, will be key to providing a reliable, seamless transportation experience during upcoming mega events.

Background

Metrolink's regional rail system will play a key role in transporting spectators and workforce during upcoming mega events in Southern California, including the 2026 FIFA World Cup and the 2028 Olympic and Paralympic Games (Games). The World Cup is expected to draw approximately 78,000 spectators to each of the eight matches at SoFi Stadium in June and July 2026, including 25,000 expected to arrive via public transit. The Games in summer 2028 include more than 1,100 event sessions spread across 49 competition venues with 15 million tickets expected to be sold. Parking at or near event venues during the World Cup and Games will be extremely limited due to security and operational perimeters, and many spectators and workforce will need to take public transit to reach venues.

Discussion

Metrolink has been working in close coordination with its partner agencies throughout Southern California to prepare for upcoming mega events, as detailed below.

2026 FIFA World Cup

The 2026 FIFA World Cup will take place in 16 cities across North America between June 11 and July 19, 2026. Eight of the planned World Cup matches will take place at SoFi Stadium in Inglewood, California, on the following dates and times:

- Friday, June 12 @ 6 p.m. (USA team)
- Monday, June 15 @ 6 p.m.
- Thursday, June 18 @ noon
- Sunday, June 21 @ noon
- Thursday, June 25 @ 7 p.m. (USA team)
- Sunday, June 28 @ noon
- Thursday, July 2 @ noon
- Friday, July 10 @ noon (quarterfinal)

Metro is leading regional transportation planning efforts for the World Cup and hosts a monthly World Cup Regional Task Force meeting that includes representatives from Metrolink and other local transportation partners. Metro will offer supplemental bus service serving SoFi Stadium from multiple mobility hubs, including park & ride lots, Los Angeles Union Station and the Anaheim Regional Transportation Intermodal Center. Due to parking restrictions around SoFi Stadium and daily parking prices averaging between \$250 and \$300, it is expected that approximately 25,000 spectators will take some form of public transit to reach the venue during each match.

In addition to the ticketed matches at SoFi Stadium, multiple official Fan Fests and Fan Zones are planned throughout Southern California that will attract additional spectators. Fan Zones at the Los Angeles Coliseum, Union Station, Pomona Fairplex and downtown Burbank are likely to attract the highest Metrolink ridership.

Metrolink staff has worked with Metro to develop a service plan that allows Metrolink passengers to connect with Metro's supplemental bus system operating between Union Station and SoFi Stadium. The proposed service plan uses a combination of regularly scheduled Metrolink trains and special trains. It provides access to and from the eight World

Cup matches and the Union Station Fan Zone on the 91/Perris Valley, Orange County, San Bernardino, Antelope Valley and Ventura County lines over a 10-day period. The latest return trips will depart Union Station between 11 p.m. and 12:15 a.m., and schedules will vary based on event end times.

Over the past several months, Metrolink staff has actively pursued federal funding to support the agency's operations and security needs during the World Cup. In late March 2026, the Los Angeles region was allocated \$9.6 million in Federal Transit Administration (FTA) funding to support expanded World Cup transit service, and \$54 million in Federal Emergency Management Agency (FEMA) funding to support expanded security during the World Cup. The \$9.6 million in FTA funding is being distributed by Metro, and the \$54 million in FEMA funding is being distributed by the Los Angeles Sports and Entertainment Commission (LASEC), which serves as the host committee for the World Cup in Los Angeles. Metrolink has requested \$260,000 in FTA funds through Metro to support expanded World Cup operations, and \$967,000 from LASEC for additional private security and law enforcement services during the World Cup. Metrolink is still awaiting confirmation of the availability of these two funding sources.

2028 Olympic and Paralympic Games

The Olympic Games include 16 days of competition from July 14 to 30, 2028, followed by the Paralympic Games, with 13 days of competition from August 15 to 27, 2028. Olympic events will take place at 49 venues across Southern California, with the majority of the venues located in Los Angeles County. Metrolink and its regional transit partners will offer transportation for spectators and workforce, while LA28 is responsible for transportation of the "Games Family," including athletes, media and Olympic officials.

Several venues will be easily reached from Metrolink stations, including:

- Honda Center (Anaheim) - Volleyball
- Trestles Beach (San Clemente) - Surfing
- Fairplex (Pomona) - Cricket
- DTLA Zone (Los Angeles) -- Multiple venues serving baseball, basketball, gymnastics, fencing, boxing, table tennis, judo, weightlifting and wrestling.

Up to 67 event sessions will take place on the busiest day of the Games, with most competition days including more than 50 individual event sessions. Events will begin as early as 7 a.m. and end as late as 11:30 p.m. LA28 states that this level of activity is equivalent to the region hosting seven Super Bowls a day for the duration of the Games. In addition to ticketed events, watch parties and cultural events will be hosted throughout the region which will generate additional Metrolink ridership demand during the Games.

Metrolink staff have been actively participating in the 15 Games Mobility Executives (GME) subcommittees, which are multi-agency working groups covering issues such as wayfinding, mapping, demand modeling, communications and outreach, transportation demand management, accessibility and mobility hubs. Metrolink serves as the lead agency for the Regional Rail subcommittee, which is responsible for ensuring that the passenger rail services offered by Metrolink, Amtrak Pacific Surfliner and the North County Transit District (COASTER) are coordinated and help support Games-related travel demand.

Metrolink staff continues to work with its consultant team at Jacobs Engineering, as well as Metro and SCAG, to update ridership demand modeling and projected service needs based

on the most recent information provided by LA28. Staff has developed a series of service scenarios that seek to increase the frequency, capacity and span of Metrolink service during the Games based on available funding, while maintaining reliable service for regular riders.

Other ongoing Games planning activities include:

- Finalizing a term sheet for a Memorandum of Understanding (MOU) between Metrolink and LA28 that outlines the roles and responsibilities of each agency, including provisions that Metrolink and its member agencies will not be expected to fund projects or deliver expanded services during the Games beyond the baseline services that would otherwise be provided if the Games were not occurring. A final MOU will be brought to the Board of Directors for review and approval at a future meeting
- Drafting a crowd management and operating plan for Union Station in coordination with other transportation partners
- Working with Metro on travel demand modeling to determine expected ridership demand and geographic distribution on the Metrolink system during the Games
- Developing a fare collection strategy and technology roadmap, including opportunities to implement contactless payment systemwide before the Games
- Reviewing opportunities for revenue enhancement through third-party advertising
- Pursuing funding for security upgrades and expanded operations during the Games

Metrolink and its regional transportation partners recognize the urgent need to secure external funding to support expanded transit service during upcoming mega events in order to minimize reliance on local funds. Congress and the Administration provided significant financial support for transportation-related needs in each of the five fiscal years leading up to the 2002 Salt Lake City Winter Games. To that end, Metrolink has submitted a request for, and is actively advocating to secure federal and/or state funding to support capital, operating and security costs related to the Games.

The Fiscal Year (FY) 2026 Transportation, Housing, and Urban Development (THUD) appropriations act included \$94.3 million for transportation assistance during the Games. On April 10, 2026, FTA released the funding and allocated \$90.7 million for Games-related capital, operating and planning activities for transportation systems in Southern California. The Southern California Association of Governments will be responsible for suballocating the funding to individual transit agencies.

Separately, the “One Big Beautiful Bill Act,” signed into law on July 4, 2025, includes \$1 billion in federal funding to pay for security and planning for the 2028 Games. Unfortunately, President Donald Trump's draft FY 2027 budget, which was released on April 3, 2026, did not include any funding to support the nearly \$2 billion in Games-related transportation needs that have been identified in the region, including funding for expanded Metrolink service and Metro's Games Enhanced Transit Service linking mobility hubs to event venues.

In addition, at the local level, the Mobile Source Air Pollution Reduction Review Committee (MSRC) made a total of \$16 million available through a County Transportation Commission (CTC) Partnership Program for Transportation Demand Management (TDM) projects that will help reduce motor vehicle emissions during upcoming major sporting events in southern California. Metrolink staff worked with Metro to prepare a proposal to utilize \$4 million in MSRC funding to support expanded Metrolink service within Los Angeles County during the Games. In addition, staff coordinated with the Riverside County Transportation Commission, which has proposed to reserve \$3 million of its \$4 million share of MSRC funding for flexible

implementation of “high-impact TDM projects,” which could include expanded bus/shuttle services, as well as additional Metrolink service to Riverside County during the Games. The San Bernardino County Transportation Authority has allocated \$1 million of MSRC funding to offer free Metrolink fares during the Games for trips originating in San Bernardino County.

In coordination with its GME partners, Metrolink staff will continue to strongly advocate for the state and federal resources necessary to support expanded transit service during the Games, including Metrolink's capital, operating and safety/security needs.

Next Steps

Staff will continue to participate in World Cup and GME subcommittees, and coordinate with relevant stakeholders, including member agencies, station cities, and state and federal officials. Staff will return to the Board of Directors with quarterly updates on the 2028 Olympic and Paralympic Games as planning efforts continue to evolve.

Prepared by: Michael Litschi, Director of Special Projects

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

[Presentation - World Cup LA28 Update](#)



METROLINK.

World Cup and LA28 Quarterly Update

Receive and file.

30



FIFA World Cup

First Match June 12, 2026

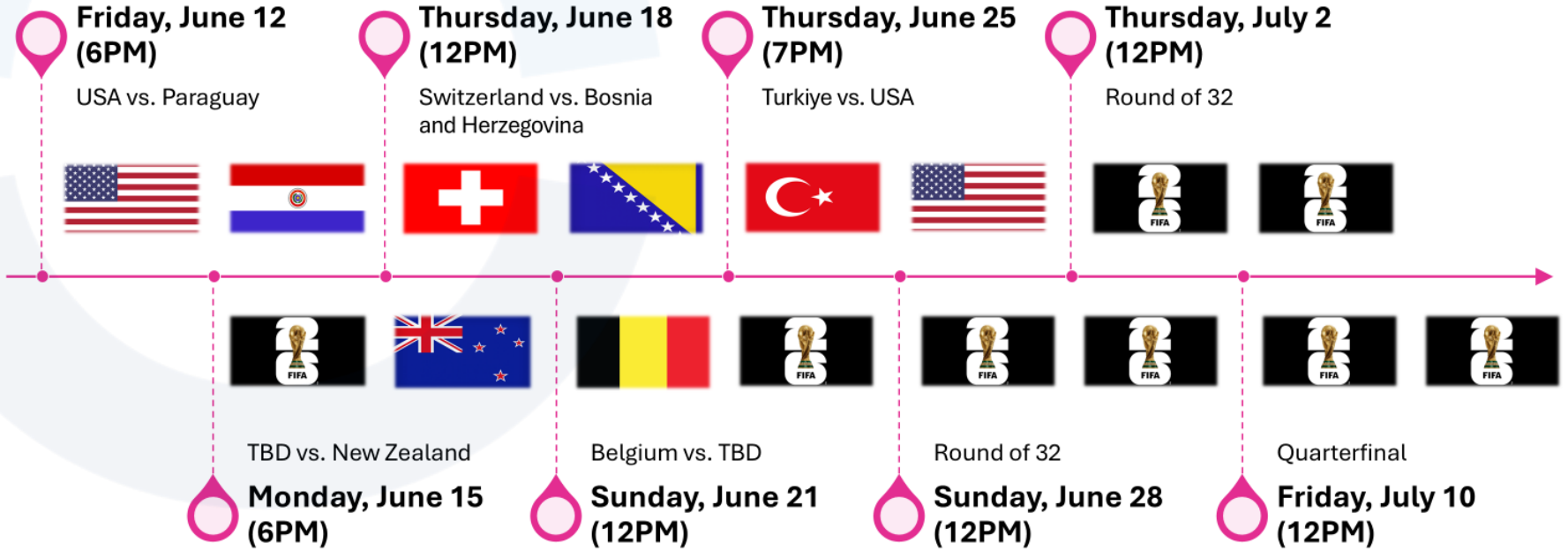
49 Days

2028 Games

Opening Ceremony July 14, 2028

812 Days

2026 World Cup – LA Match Schedules*



World Cup Fan Fests Near Metrolink

June 11-14: FIFA Fan Fest at LA Coliseum

- 40k tickets/day; connect from Union Station via Metro E line
- Hours vary daily, from 8 a.m. to 10 p.m.

June 25-28: Fan Zone at LA Union Station

- Hours vary daily, from 10:30 a.m. to 10:30 p.m.

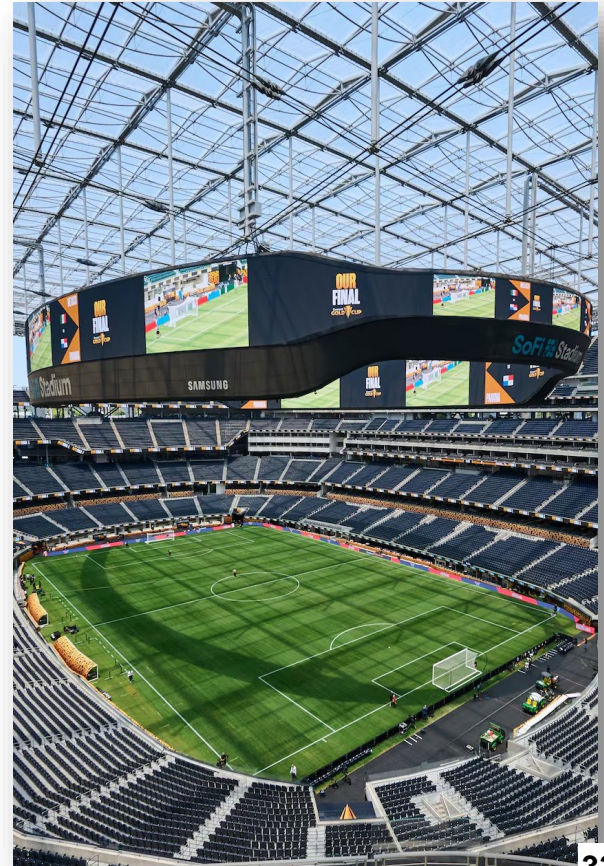
July 14-15 and 18-19: Fan Zone at Pomona Fairplex

- 10 a.m. to 9 p.m.
- Pending transport plan from Pomona North

July 18-19: Fan Zone in Downtown Burbank

- 11 a.m. to 8 p.m.
- San Fernando Blvd. and Magnolia Blvd.

Other “non-official” watch parties expected throughout SoCal



Proposed Metrolink Service Plan

- Utilize existing Metrolink service where possible
- Operate special trains on OC, AV, 91/PVL, VC and SB lines for evening return trips and on weekends, on all 8 match days + 2 additional days for LAUS Fan Zone
- Free transfer to SoFi shuttle at Union Station and ARTIC (Anaheim) with valid Metrolink ticket/pass
- Coordinate with LOSSAN on Pacific Surfliner service and possible suspension of Rail 2 Rail and code share
- Funding for supplemental operations and security



2028 Olympic and Paralympic Games



METROLINK



Ventura County

Los Angeles County

San Bernardino County

Orange County

Riverside County

San Diego County

Competition Venue

Metrolink and Stations

- Antelope Valley Line
- Inland Empire-Orange County Line
- Orange County Line
- Riverside Line
- San Bernardino Line
- Ventura County Line
- 91/Perris Valley Line
- Arrow Service

Esri, NASA, NGA, USGS, County of Los Angeles, California State Parks, Esri, HERE, Garmin, SafeGraph, FAO, MET/NASA, USGS, Bureau of Land Management, EPA, NPS



LA28 Planning Activities In Progress

- MOU term sheet with LA28
- Travel demand modeling
- Crowd management plan
- Metrolink service plans/schedules
- Opportunities for third-party advertising revenue
- Fare collection strategy and technology roadmap
- Wayfinding (static and digital)
- Funding advocacy



METROLINK

Thank you.



ITEM ID: 2026-192-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Tom Schamber, Chief Financial Officer

SUBJECT: FY26 Monthly Report of Ridership, Revenue, and Financial Results for March 2026

Issue

Our goal is to transform Metrolink into a regional public transit service provider. Primary among the initiatives to accomplish this transformation is the Optimized Service Schedule, which took effect on October 21, 2024. An additional critical objective is to control expenses in an operating environment which is driven by structural maintenance required by safety considerations whose costs are fixed.

This report covers monthly Ridership, Revenue, and Financial Operating Performance for the nine ended March 31, 2026. Note that staff is reporting on the performance of an immediately previous month. Understanding the value of the most current information for governance of the organization, we are committed to bringing the immediately previous month to the Board and the monthly financial closing allow us the time to do so.

The Ridership and Revenue data emphasizes "By Line" performance. The reporting also displays the effect of farebox subsidies in this year compared to last year. This more focused view may help identify opportunities for accelerating ridership growth. Financial performance reporting emphasizes adherence to budget, particularly at the Member Agency Support Line.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on Member Agency support while bringing our system into a state of good repair and investing in the development of our employees. Providing current and accurate information based on factual data to our Board enhances their oversight and ability to provide direction.
- **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 bring them on board. Our close monitoring of our ridership is a reflection of our unflinching efforts to ensure our actions are serving their needs.

Background

Sperry Capital/KPMG has updated its forecasting model to better capture changes in ridership patterns during the post-COVID recovery period. Instead of a single model, they have created line-specific models to capture local nuances in ridership patterns. Using these new models, they have updated their FY26 forecast. While the adopted budget will remain the budget, we are now providing comparisons of actual ridership and revenue results to both the adopted budget and the updated forecast.

Year-to-date actual Ridership and Revenue are shown with comparisons to last year, the budget, and to the new forecast, both Systemwide and by each Line. A separate section of charts will show Farebox Revenue by Month by Line.

Since the end of the free Student Adventure Pass in July 2025, staff noticed a growing discrepancy between conductor counts and ridership estimates based on ticket sales.

Results from the June 2025 Onboard Survey provide evidence that student ridership in FY25 was overestimated. Original ridership estimates incorrectly assumed that all Student Adventure Passes were used to make a round-trip on Metrolink. However, survey results from the June 2025 Onboard Survey show that one in three students takes Metrolink in one direction only. Therefore, the assumption of 2 rides per student has been reduced to 1.5 rides. This finding was also supported by an analysis of fare transaction data before and after the end of the Student Adventure Pass. The survey data also indicates the need for recalibrating Monthly Pass usage rates, which had not been updated since before the pandemic. The new data reflect an average monthly pass usage of 4.4 days per week, up from 3.7 rides previously.

Staff has prepared updated ridership estimates for FY25 and FY26. The updated usage rates have no impact on revenue. Revenue shown as Fare Revenues includes Farebox Revenue plus all Farebox subsidies. In prior years, only the Student Adventure Pass Subsidy was included in farebox revenue presentations. Now, all subsidies are included in the Fare Revenues number.

Expenses as adopted in the FY26 Operating Budget will be shown in comparison to the actual expenditures and to actuals from last year.

Board Adopted Operating Budgets for FY26

On June 27, 2025, the SCRRA Board of Directors adopted the FY26 Operating Budget for Metrolink. The Budget reflected Operating Revenue of \$76.9M, Expenses of \$352.4M, and Member Agency Support of \$275.5M.

The Board of Directors also adopted the FY26 Operating Budget for Arrow Service, which reflects Operating Revenue of \$690K, Expenses of \$18.2M, and Member Agency Support of \$17.5M.

On February 27, 2026, the Board of Directors adopted an amendment to the FY26 Metrolink Operating Budget in the amount of an addition to operating expense of \$914,029.

Discussion

Ridership

For the nine months ended March 2026 ridership was forecasted at 6.9M boardings, a 78% recovery, while the actual boardings were 5.5M, a 62% recovery, below original forecast by 1.4M. However, the actual is over the refreshed forecast by 336K riders.

Fare Revenue

For the nine months ended March 2026, the Authority's Fare Revenues are budgeted at \$42.5M or a 69% recovery, while the actual Fare Revenues are \$32.5M, a 53% recovery, under budget by \$9.9M. Compared to the refreshed Revenue forecast, Revenues are higher by \$428K. Unsubsidized Farebox Revenue is up 14% over last year.

Ridership and Revenue by Line

Results by Line for ridership thru March show that all lines except San Bernardino have increased Unsubsidized ridership compared to last year. While 5 out of 7 lines have increased total ridership from last year. They also show that ridership is exceeding the refreshed forecast.

Results by Line for revenue show every line has increased its Unsubsidized Revenue over last year. Five of the seven lines have combined Subsidized and Unsubsidized Revenue higher than last year. The two lines that were below last year for combined revenue received a greater proportion of Revenue from the now-expired Student Adventure Pass subsidy.

To date, the refreshed Forecast is slightly lower than Actuals. The charts by line show the number of trains on each line. This is important from a financial perspective because it provides insight into each train's revenue generation.

Operating Results for Metrolink

Operating Revenue is \$47.4M, under budget by \$9.0M or 16.0%, \$37K or 0.1% less than last

Expenses are \$241.6M, below budget by \$22.7M or 8.6%. Some expenses may contain accru

Member Agency Support required is \$194.2M, below budget by \$13.8M, or 6.6%.

The Metrolink Operating Statement for the period ended March 31, 2026, is attached for further

Arrow Service

Ridership

Through March 2026, Arrow Service ridership was forecasted at 129K boardings, while the acti

Fare Revenues

For the nine months ended March 2026, Arrow Service Fare Revenues were budgeted at \$310

Operating Results

Operating Revenue through March 2026 for Arrow Service is \$381K, under budget by \$120K o
Expenses are \$11.2M, below budget by \$2.5M or 18%. Some expenses may include accruals.
Support required is \$10.8M, below budget by \$2.3M or 17.8%.

The Arrow Service Operating Statement for the period ended March 31, 2026, is attached for fu

Next Steps

Staff will continue to report on Ridership, Revenue and Financial results monthly.

Prepared by: Christine Wilson, Assistant Director, Finance

Approved by: Tom Schamber, Chief Financial Officer

Attachment(s)

[Attachment A - Ridership by Line March 2026](#)

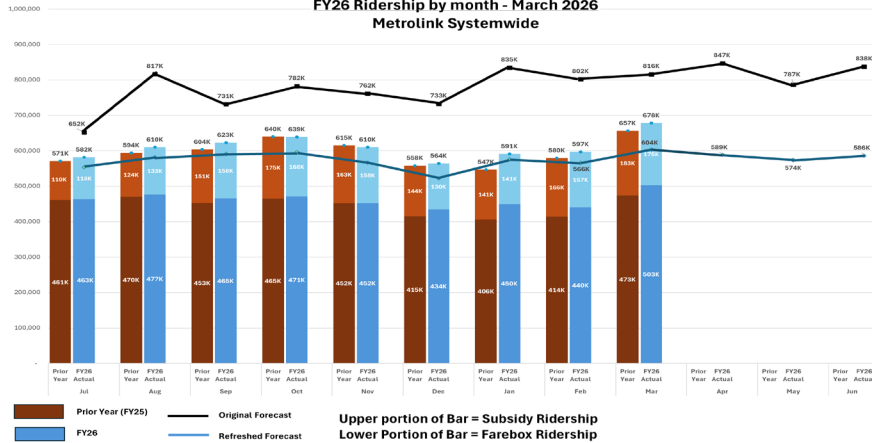
[Attachment B - Metrolink March Operating Statement](#)

[Attachment C - Arrow Service March Operating Statement](#)

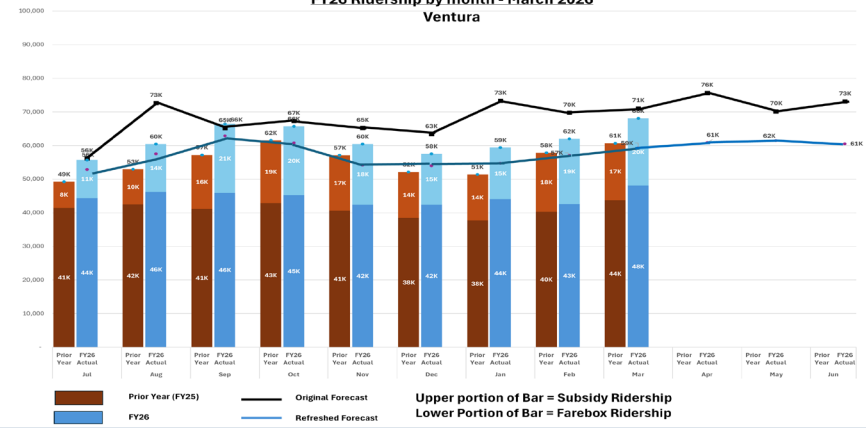
[Presentation - March 2026 Financial Results](#)

Ridership by Line by Month as of March 2026

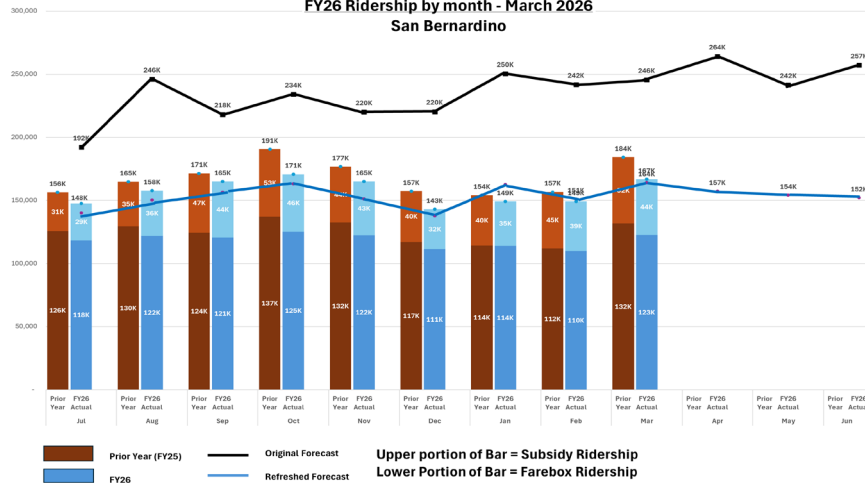
FY26 Ridership by month - March 2026 Metrolink Systemwide



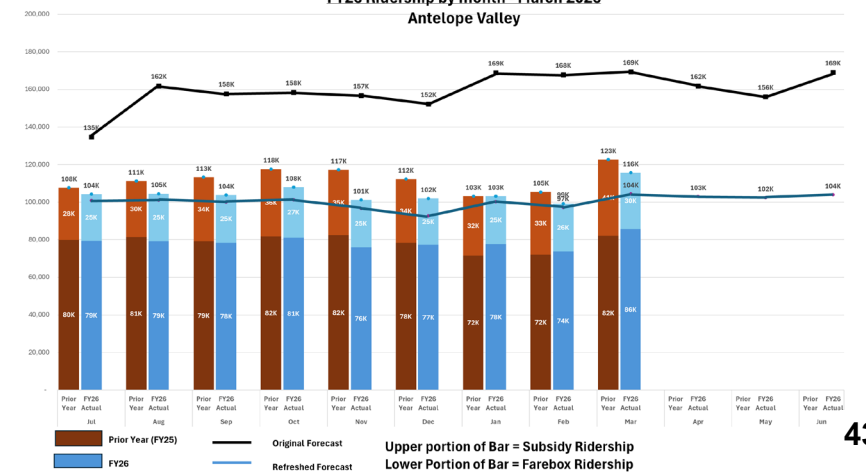
FY26 Ridership by month - March 2026 Ventura



FY26 Ridership by month - March 2026 San Bernardino

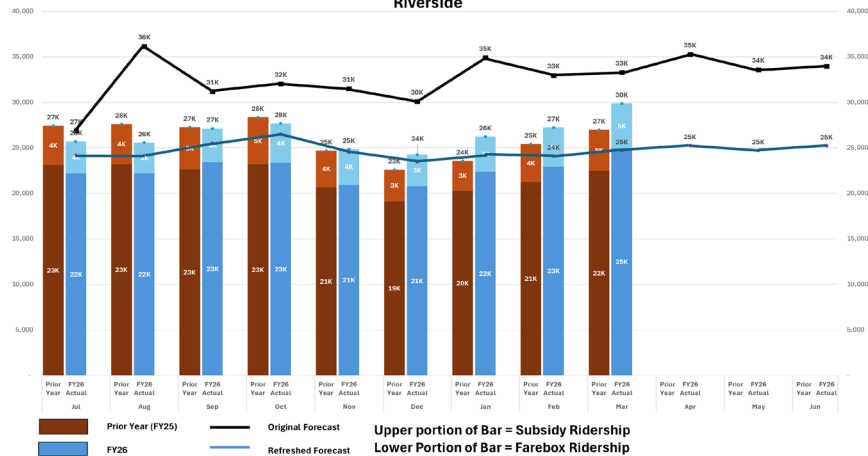


FY26 Ridership by month - March 2026 Antelope Valley

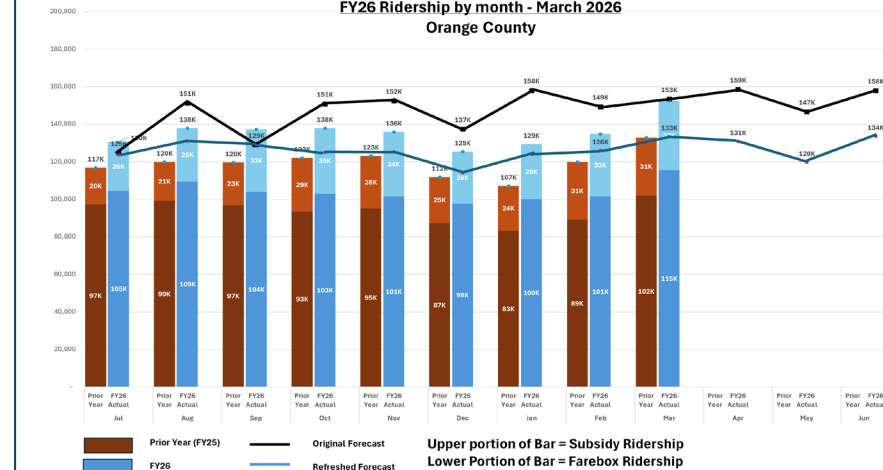


Ridership by Line by Month as of March 2026

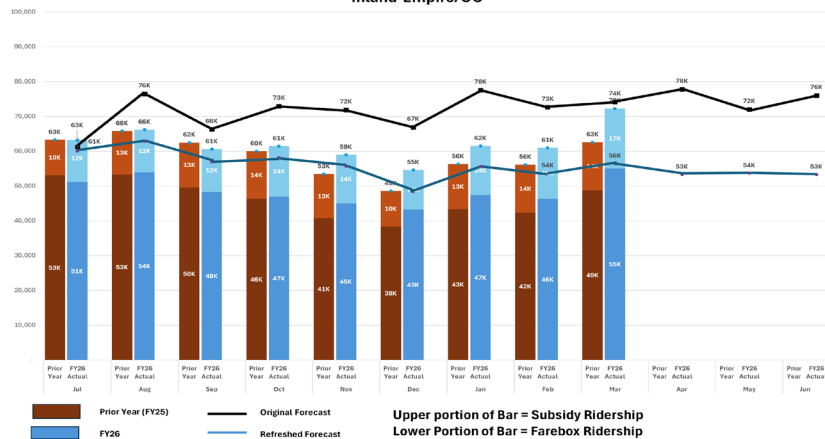
**FY26 Ridership by month - March 2026
Riverside**



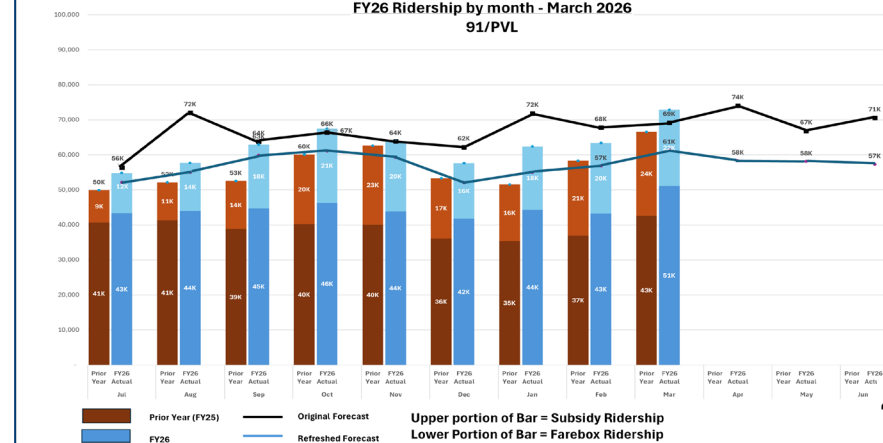
**FY26 Ridership by month - March 2026
Orange County**



**FY26 Ridership by month - March 2026
Inland-Empire/OC**



**FY26 Ridership by month - March 2026
91/PVL**



**SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY
PRELIMINARY OPERATING STATEMENT
FOR THE NINE MONTHS ENDING MARCH 31, 2026**

	FY26 BUDGET	FY26 ACTUAL	VARIANCE FROM BUDGET		FY25 ACTUAL	VARIANCE FROM PRIOR YEAR ACTUAL	
			OVER/(UNDER) AMOUNT	%		OVER/(UNDER) AMOUNT	%
Operation Revenue							
Farebox Revenue	37,675,633	27,458,112	(10,217,521)	(27.1%)	24,042,436	3,415,676	14.2%
SB Line Fare Reduction	294,481	408,464	113,983	38.7%	345,126	63,338	18.4%
Mobility 4 All	0	589,399	589,399	0	570,139	19,260	3.4%
Student Youth Discount Grant	2,571,894	2,052,517	(519,378)	(20.2%)	0	2,052,517	0.0%
Student Adventure Pass	0	0	0	0	5,218,764	(5,218,764)	(100.0%)
Other Train Subsidies	1,924,066	2,016,163	92,097	4.8%	1,957,440	58,723	3.0%
Special Trains	0	0	0	0	39,200	(39,200)	(100.0%)
Subtotal Fare Revenues	42,466,074	32,524,654	(9,941,419)	(23.4%)	32,173,105	351,549	1.1%
Dispatching	1,692,522	2,127,875	435,353	25.7%	1,950,406	177,469	9.1%
Other Revenues	2,154,483	2,553,555	399,072	18.5%	3,381,429	(827,873)	(24.5%)
MOW Revenues	10,140,363	10,236,891	96,528	1.0%	9,975,204	261,687	2.6%
Total Operating Revenues	56,453,442	47,442,976	(9,010,466)	(16.0%)	47,480,144	(37,168)	(0.1%)
Student Adventure Pass Member Support	0	0	0	0	3,211,300	(3,211,300)	(100.0%)
Operating Expenses							
Operations & Services							
Train Operators	40,836,277	40,932,708	96,430	0.2%	33,725,606	7,207,102	21.4%
Train Dispatch	4,490,592	4,501,765	11,173	0.2%	4,345,951	155,815	3.6%
Equipment Maintenance	24,218,449	24,160,063	(58,386)	(0.2%)	23,126,243	1,033,820	4.5%
Materials	11,492,561	11,413,512	(79,049)	(0.7%)	10,607,630	805,882	7.6%
Fuel	23,873,175	21,377,026	(2,496,149)	(10.5%)	21,234,774	142,252	0.7%
Non-Sched Rolling Stock Repairs	0	0	0	0	21,612	(21,612)	(100.0%)
Operating Facilities Maintenance	3,778,779	3,167,237	(611,542)	(16.2%)	1,491,268	1,675,969	112.4%
Other Operating Train Services	831,671	847,758	16,087	1.9%	405,841	441,917	108.9%
Security - LA Sheriffs	10,338,597	9,142,049	(1,196,548)	(11.6%)	8,933,780	208,269	2.3%
Security - SB Sheriffs	2,467,611	2,199,606	(268,005)	(10.9%)	0	2,199,606	0.0%
Security - Guards	4,261,770	4,348,779	87,009	2.0%	3,945,707	403,073	10.2%
Supplemental Security	85,159	0	(85,159)	(100.0%)	0	0	0.0%
Public Safety Program	50,202	17,192	(33,010)	(65.8%)	25,479	(8,286)	(32.5%)
Passenger Relations	1,483,776	1,296,239	(187,537)	(12.6%)	1,347,325	(51,086)	(3.8%)
TVM Maint/Revenue Collection	4,526,406	3,913,096	(613,310)	(13.5%)	3,362,242	550,854	16.4%
Marketing	2,596,486	2,174,574	(421,912)	(16.2%)	1,331,651	842,923	63.3%
Media & External Communications	226,716	64,651	(162,065)	(71.5%)	71,169	(6,517)	(9.2%)
Utilities / Leases	2,132,550	1,909,599	(222,951)	(10.5%)	1,776,347	133,252	7.5%
Transfers to Other Operators	2,169,000	2,552,452	383,452	17.7%	2,440,936	111,517	4.6%
Amtrak Transfers	515,844	784,784	268,940	52.1%	494,915	289,869	58.6%
Station Maintenance	5,235,021	3,675,700	(1,559,321)	(29.8%)	2,805,664	870,036	31.0%
Rail Agreements	5,498,217	5,258,256	(239,961)	(4.4%)	4,639,742	618,514	13.3%
Special Trains	0	0	0	0	246,168	(246,168)	(100.0%)
Subtotal Operations & Services	151,108,859	143,737,046	(7,371,814)	(4.9%)	126,380,048	17,356,998	13.7%
Maintenance-of-Way							
MoW - Line Segments	39,480,407	36,525,316	(2,955,091)	(7.5%)	33,609,133	2,916,183	8.7%
MoW Labor & Benefits	3,572,346	3,919,239	346,892	9.7%	3,360,591	558,648	16.6%
Overhead MoW Expenses	3,484,544	3,892,790	408,246	11.7%	2,536,214	1,356,576	53.5%
MoW - Extraordinary Maintenance	621,567	346,989	(274,578)	(44.2%)	448,609	(101,620)	(22.7%)
Subtotal Maintenance-of-Way	47,158,864	44,684,334	(2,474,531)	(5.2%)	39,954,547	4,729,787	11.8%
Administration & Services							
Ops Salaries & Benefits	14,330,049	13,758,009	(572,039)	(4.0%)	13,975,570	(217,561)	(1.6%)
Ops Non-Labor Expenses	9,196,372	7,109,617	(2,086,755)	(22.7%)	5,936,799	1,172,818	19.8%
Indirect Administrative Expenses	20,082,075	15,635,982	(4,446,093)	(22.1%)	14,135,781	1,500,201	10.6%
Ops Professional Services	1,556,099	719,772	(836,328)	(53.7%)	1,543,423	(823,651)	(53.4%)
Subtotal Administration & Services	45,164,594	37,223,379	(7,941,215)	(17.6%)	35,591,572	1,631,807	4.6%
Contingency	37,511	13,400	(24,111)	(64.3%)	2,500	10,900	436.0%
Total Operating Expenses	243,469,829	225,658,159	(17,811,670)	(7.3%)	201,928,667	23,729,491	11.8%
Insurance Expense (Recoveries)							
Liability/Property/Auto/Misc	14,102,928	12,206,474	(1,896,454)	(13.4%)	12,294,753	(88,279)	(0.7%)
Net Claims / SI	1,380,564	114,706	(1,265,858)	(91.7%)	323,511	(208,805)	(64.5%)
Claims Administration	1,654,542	1,717,369	62,827	3.8%	1,355,256	362,113	26.7%
Subtotal Insurance Expense (Recoveries)	17,138,034	14,038,548	(3,099,486)	(18.1%)	13,973,520	65,029	0.5%
Total Operating Expenses	260,607,863	239,696,707	(20,911,156)	(8.0%)	219,113,487	20,583,220	9.4%
Mini Bundle Mobilization	0	0	0	0	4,497,032	(4,497,032)	(100.0%)
Total Expenses with Mobilization	260,607,863	239,696,707	(20,911,156)	(8.0%)	223,610,519	16,086,188	7.2%
Mega Events	1,186,012	355,599	(830,413)	(70.0%)	0	355,599	0.0%
CFR Compliance	330,433	151,905	(178,528)	(54.0%)	0	151,905	0.0%
Outside 20	2,247,109	1,427,962	(819,147)	(36.5%)	0	1,427,962	0.0%
Total Expenses	264,371,417	241,632,173	(22,739,244)	(8.6%)	223,610,519	18,021,654	8.1%
Unbudgeted Special Trains							
Holiday Trains							
Surplus / (Deficit)	0	28,476	28,476	0	91,392	(62,915)	(68.8%)
Insomniac Trains							
Surplus / (Deficit)	0	(0)	(0)	0	67,310	(67,310)	(100.0%)
Net effect of Unbudgeted Special Trains	0	28,476	28,476	0	158,701	(130,225)	(82.1%)
Net Loss	(207,917,975)	(194,160,721)	13,757,254	(6.6%)	(175,971,674)	(18,189,047)	10.3%
Member Subsidies	207,689,468	207,689,468	0	0.0%	199,016,870	8,672,598	4.4%
*Surplus / (Deficit)	(228,507)	13,528,747	13,757,254	n/a	23,045,197	(9,516,449)	(41.3%)

*Budget deficit the result of non-billing for amendment

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY
ARROW SERVICE
PRELIMINARY OPERATING STATEMENT
FOR THE NINE MONTHS ENDING MARCH 31, 2026

	FY26		VARIANCE FROM		FY25		VARIANCE FROM	
	ADJUSTED	FY26	BUDGET OVER/(UNDER)		ACTUAL	PRIOR YEAR ACTUAL		
	BUDGET	ACTUAL	AMOUNT	%		AMOUNT	%	
Operation Revenue								
Farebox Revenue	264,539	166,097	(98,442)	(37.2%)	135,529	30,568	22.6%	
Mobility 4 All	7,278	4,369	(2,909)	(40.0%)	5,008	(639)	(12.8%)	
Student Youth Discount Grant	38,652	25,962	(12,690)	(32.8%)	0	25,962	0.0%	
Student Adventure Pass	0	(0)	(0)	0	131,173	(131,173)	(100.0%)	
Subtotal Fare Revenues	310,468	196,429	(114,040)	(36.7%)	271,710	(75,281)	(27.7%)	
MOW Revenues	190,980	184,684	(6,296)	(3.3%)	185,420	(736)	(0.4%)	
Total Operating Revenues	501,448	381,113	(120,336)	(24.0%)	457,130	(76,018)	(16.6%)	
Operating Expenses								
Operations & Services								
Train Operators	3,110,926	2,317,482	(793,444)	(25.5%)	2,859,271	(541,789)	(18.9%)	
Train Dispatch Fee	136,201	136,201	(0)	(0.0%)	12,361	123,840	1,001.9%	
Equipment Maintenance	3,172,959	2,984,185	(188,774)	(5.9%)	2,536,297	447,889	17.7%	
Materials	1,034,322	261,527	(772,795)	(74.7%)	74,227	187,300	252.3%	
Fuel	326,619	293,091	(33,528)	(10.3%)	288,382	4,709	1.6%	
Operating Facilities Maintenance	346,131	200,760	(145,371)	(42.0%)	81,816	118,943	145.4%	
Other Operating Train Services	13,122	6,103	(7,019)	(53.5%)	3,651	2,452	67.1%	
Security - SB Sheriffs	1,726,272	1,533,555	(192,717)	(11.2%)	0	1,533,555	0.0%	
Security - Guards	207,342	200,515	(6,827)	(3.3%)	198,132	2,383	1.2%	
Public Safety Program	12,501	0	(12,501)	(100.0%)	0	0	0.0%	
Passenger Relations	10,431	7,821	(2,610)	(25.0%)	14,485	(6,664)	(46.0%)	
TVM Maint/Revenue Collection	75,780	59,969	(15,811)	(20.9%)	61,250	(1,281)	(2.1%)	
Marketing	150,030	163,432	13,402	8.9%	83,020	80,412	96.9%	
Media & External Communications	3,276	0	(3,276)	(100.0%)	0	0	0.0%	
Utilities / Leases	209,055	228,506	19,451	9.3%	240,658	(12,152)	(5.0%)	
Transfers to Other Operators	7,497	5,088	(2,409)	(32.1%)	4,888	200	4.1%	
Subtotal Operations & Services	10,542,464	8,398,235	(2,144,229)	(20.3%)	9,246,794	(848,559)	(9.2%)	
Maintenance-of-Way								
Maintenance-of-Way Fee	1,346,216	1,346,216	0	0.0%	876,016	470,200	53.7%	
Administration & Services								
Ops Salaries & Benefits	750,998	544,213	(206,785)	(27.5%)	566,855	(22,643)	(4.0%)	
Ops Non-Labor Expenses	250,935	232,810	(18,125)	(7.2%)	190,812	41,998	22.0%	
Indirect Administrative Expenses	661,281	601,864	(59,417)	(9.0%)	345,769	256,095	74.1%	
Ops Professional Services	5,688	0	(5,688)	(100.0%)	47,085	(47,085)	(100.0%)	
Subtotal Administration & Services	1,668,902	1,378,888	(290,014)	(17.4%)	1,150,522	228,365	19.8%	
Total Operating Expenses	13,557,581	11,123,338	(2,434,243)	(18.0%)	11,273,332	(149,994)	(1.3%)	
Insurance Expense (Recoveries)								
Liability/Property/Auto/Misc	78,345	69,640	(8,705)	(11.1%)	78,345	(8,705)	(11.1%)	
Net Claims / SI	6,939	0	(6,939)	(100.0%)	0	0	0.0%	
Claims Administration	3,753	0	(3,753)	(100.0%)	0	0	0.0%	
Subtotal Insurance Expense (Recoveries)	89,037	69,640	(19,397)	(21.8%)	78,345	(8,705)	(11.1%)	
Total Operating Expenses	13,646,618	11,192,978	(2,453,640)	(18.0%)	11,351,677	(158,699)	(1.4%)	
CFR Compliance	10,763	1,233	(9,530)	(88.5%)	0	1,233	0.0%	
Total Expenses	13,657,381	11,194,211	(2,463,170)	(18.0%)	11,351,677	(157,466)	(1.4%)	
Net Loss	(13,155,933)	(10,813,098)	2,342,834	(17.8%)	(10,894,546)	81,448	(0.7%)	
Member Subsidies	13,155,933	13,155,933	(0)	(0.0%)	13,006,193	149,740	1.2%	
Surplus / (Deficit)	0	2,342,834	2,342,834	N/A	2,111,646	231,188	10.9%	



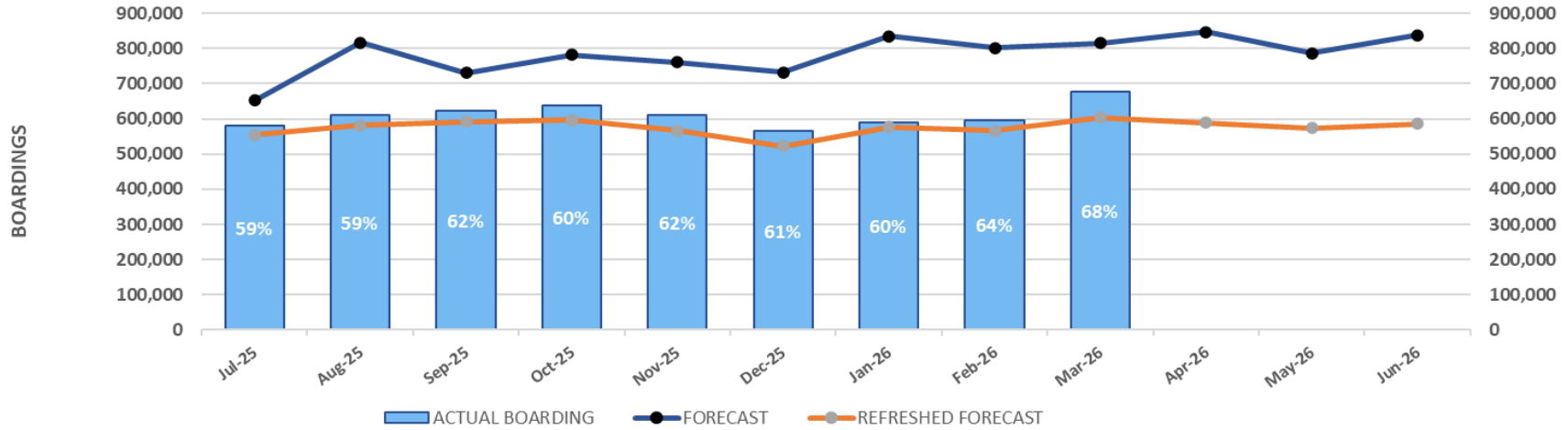
METROLINK

March 2026 Financial Results

Receive and file.

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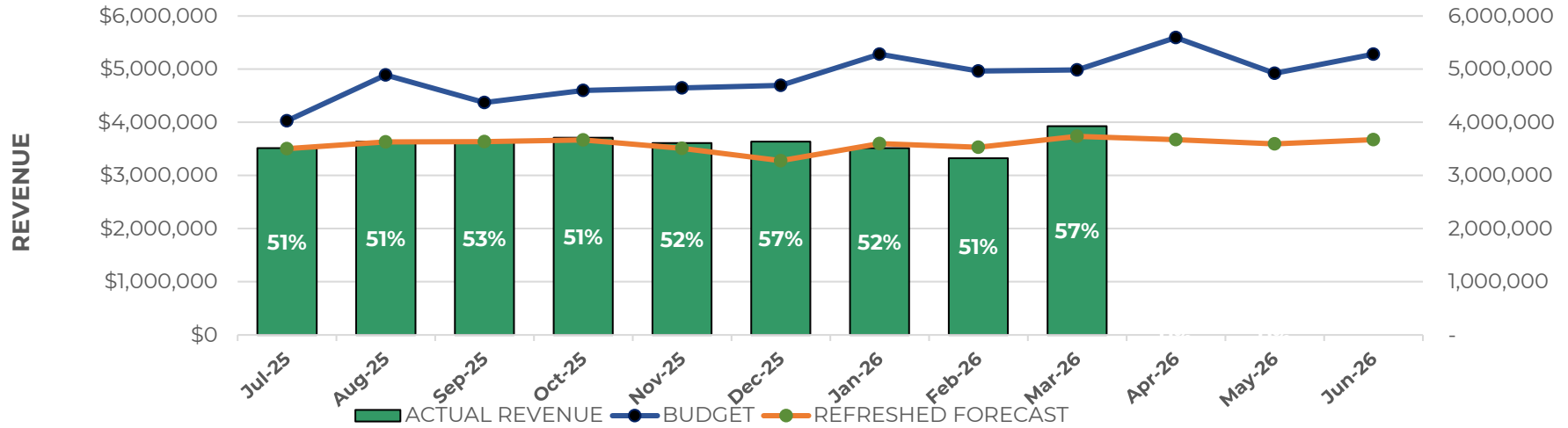
Systemwide FY26 Forecast vs Actual & Recovery % Ridership



PERIOD	FORECAST		REFRESHED FORECAST		ACTUAL		RIDERSHIP VARIANCES	
	BOARDINGS	RECOVERY	BOARDINGS	RECOVERY	BOARDINGS	RECOVERY	FROM BUDGET	FROM REFRESH
JULY-25	652,288	66%	554,004	56%	581,688	59%	(70,600)	27,684
AUGUST-25	816,690	79%	582,078	57%	609,942	59%	(206,748)	27,864
SEPTEMBER-25	731,333	72%	591,591	58%	623,205	62%	(108,128)	31,614
FY26 Q1 TOTAL	2,200,311	73%	1,727,673	57%	1,814,835	60%	(385,476)	87,162
OCTOBER-25	782,087	74%	596,237	56%	639,051	60%	(143,036)	42,814
NOVEMBER-25	761,601	77%	566,763	57%	610,310	62%	(151,291)	43,547
DECEMBER-25	732,661	80%	522,568	57%	564,325	61%	(168,336)	41,757
FY26 YTD Q2 TOTAL	4,476,659	75%	3,413,241	57%	3,628,521	61%	(848,138)	215,280
JANUARY-26	834,933	85%	576,350	59%	591,313	60%	(243,620)	14,963
FEBRUARY-26	802,262	86%	566,020	60%	596,907	64%	(205,355)	30,887
MARCH-26	816,182	81%	603,744	60%	678,369	68%	(137,813)	74,625
FY26 Q3 YTD TOTAL	6,930,036	78%	5,159,355	58%	5,495,110	62%	(1,434,926)	335,755
Fiscal Year to Date	6,930,036	78%	5,159,355	58%	5,495,110	62%	(1,434,926)	335,755

Systemwide FY26 Forecast vs Actual & Recovery %

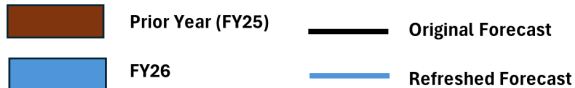
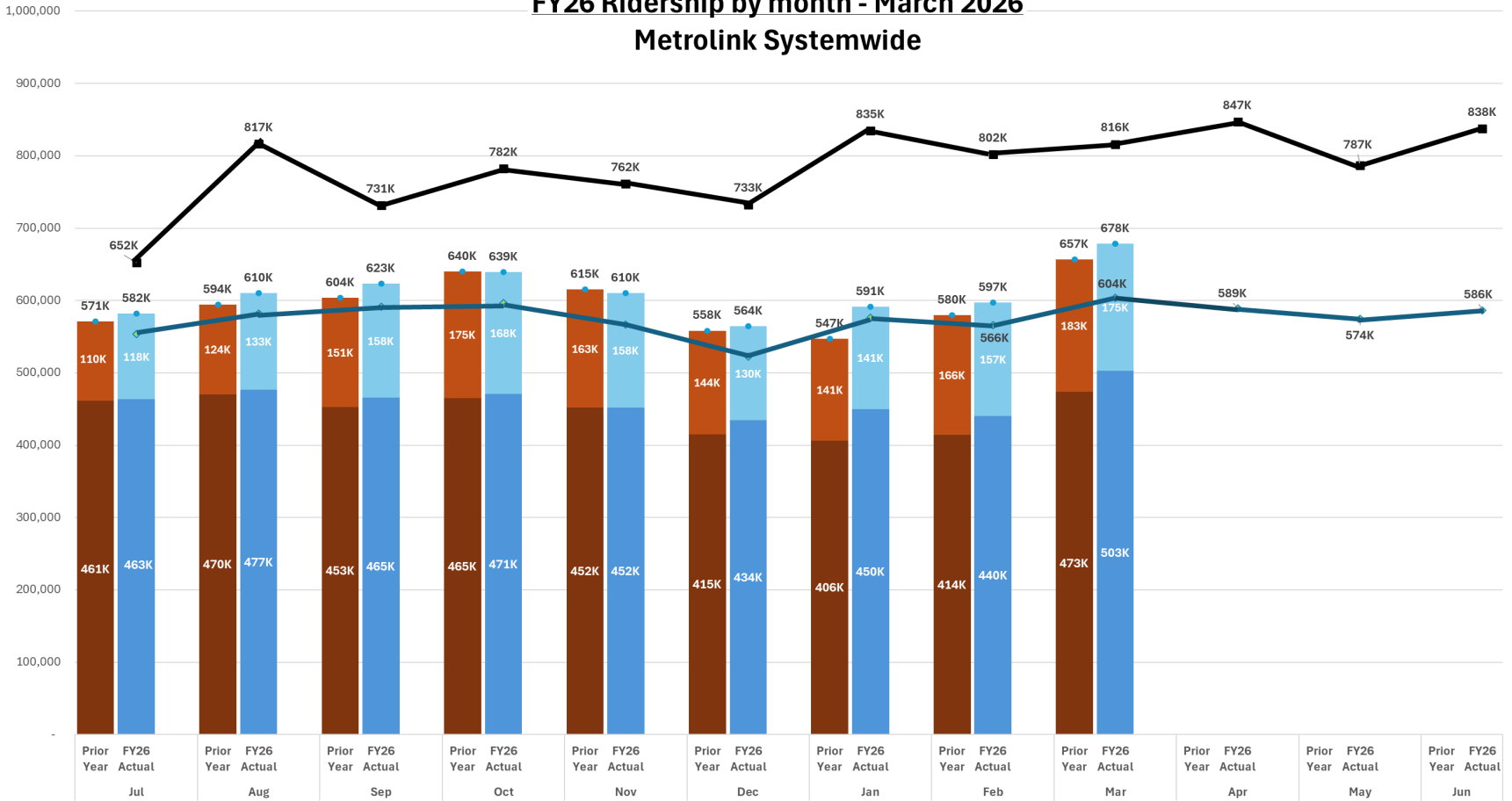
Fare Revenues (includes subsidies)



PERIOD	BUDGET		REFRESHED FORECAST		ACTUAL		REVENUE VARIANCES	
	REVENUE	RECOVERY	REVENUE	RECOVERY	REVENUE	VARIANCE	FROM BUDGET	FROM REFRESH
JULY-25	4,028,677	59%	3,503,679	51%	3,515,246	51%	(513,431)	11,567
AUGUST-25	4,890,365	69%	3,633,802	51%	3,637,351	51%	(1,253,014)	3,549
SEPTEMBER-25	4,374,645	64%	3,637,842	53%	3,648,662	53%	(725,983)	10,820
FY26 YTD Q1 TOTAL	\$ 13,293,687	64%	10,775,323	52%	\$ 10,801,259	52%	(2,492,428)	25,936
OCTOBER-25	4,600,054	63%	3,667,953	51%	3,710,352	51%	(889,702)	42,399
NOVEMBER-25	4,646,303	67%	3,508,394	51%	3,609,112	52%	(1,037,191)	100,718
DECEMBER-25	4,695,741	74%	3,278,615	52%	3,638,849	57%	(1,056,892)	360,235
FY26 YTD Q2 TOTAL	\$ 27,235,785	66%	21,230,285	51%	\$ 21,759,572	53%	(5,476,213)	529,287
JANUARY-26	5,281,638	78%	3,601,311	53%	3,516,067	52%	(1,765,571)	(85,244)
FEBRUARY-26	4,963,251	77%	3,528,792	55%	3,323,139	51%	(1,640,112)	(205,653)
MARCH-26	4,985,398	73%	3,735,967	54%	3,925,877	57%	(1,059,521)	189,910
FY26 Q3 YTD TOTAL	\$ 42,466,072	69%	32,096,354	52%	\$ 32,524,655	53%	(9,941,417)	\$ 428,149
Fiscal Year to Date	\$ 42,466,072	69%	32,096,354	52%	\$ 32,524,655	53%	\$ (9,941,417)	\$ 428,301

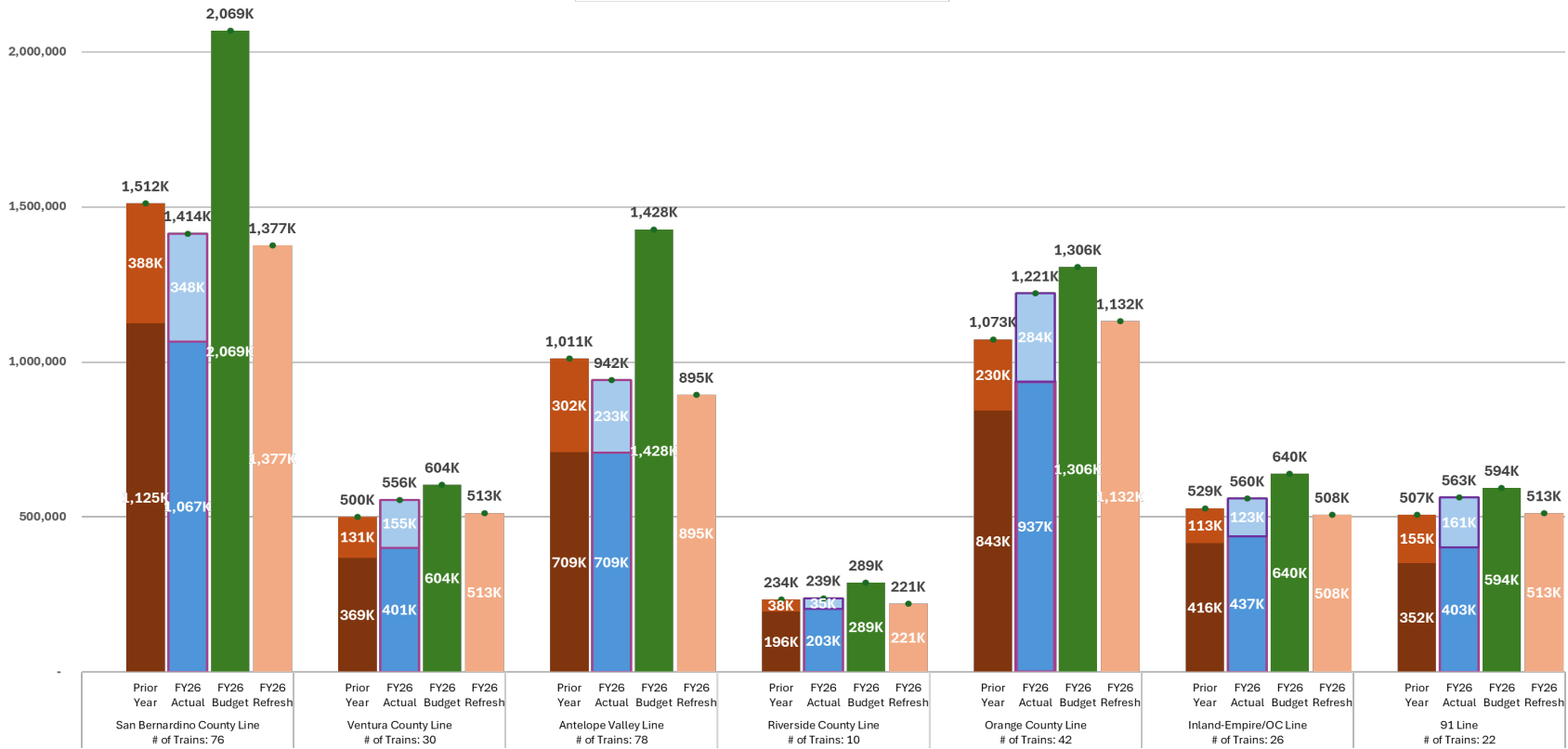
FY26 Ridership by month - March 2026

Metrolink Systemwide



Upper portion of Bar = Subsidy Ridership
Lower Portion of Bar = Farebox Ridership

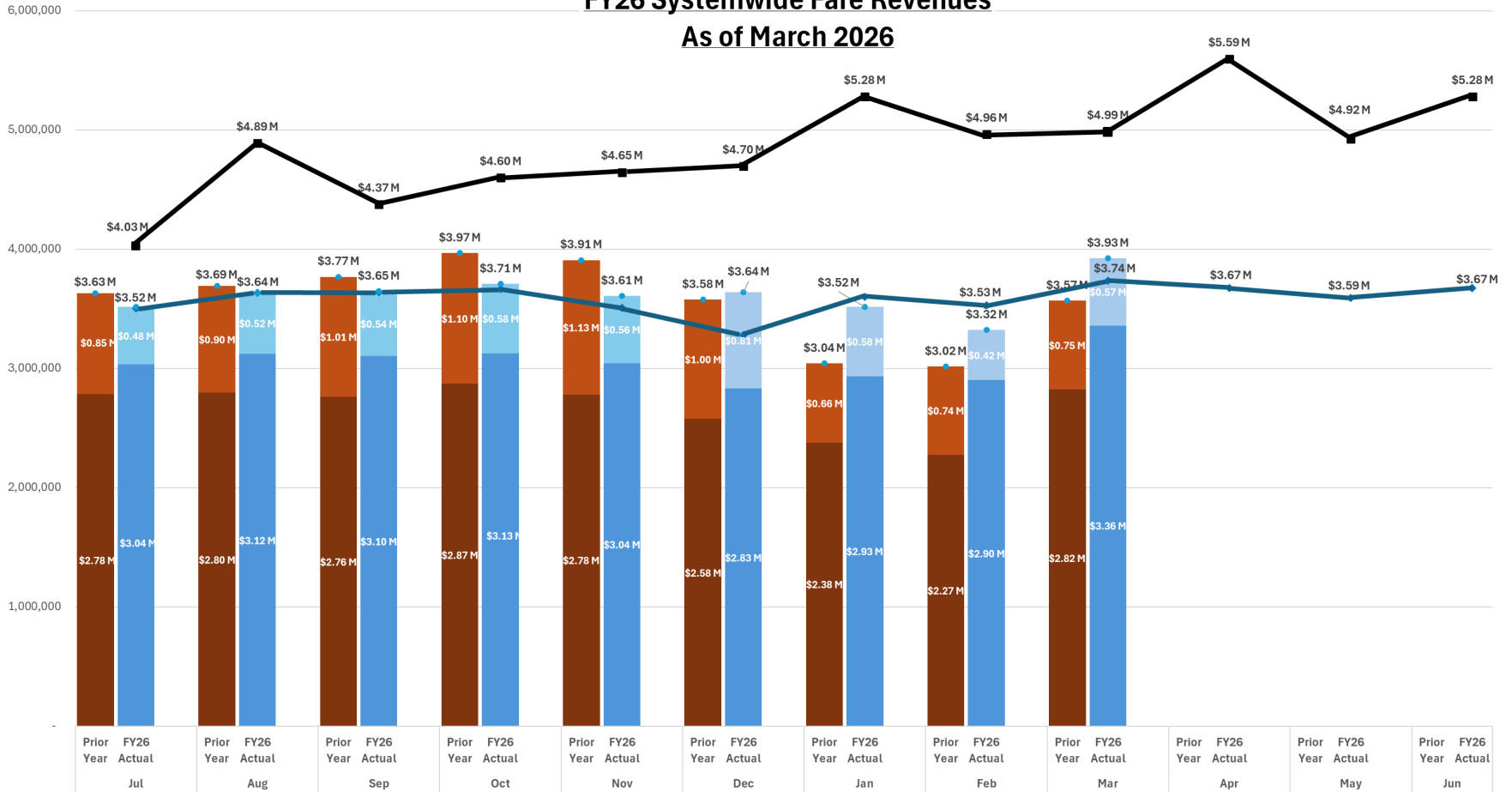
FY26 YTD Ridership by Line As of March 2026





Upper portion of Bar = Subsidized Ridership
Lower Portion of Bar = Base Ridership

FY26 Systemwide Fare Revenues

As of March 2026

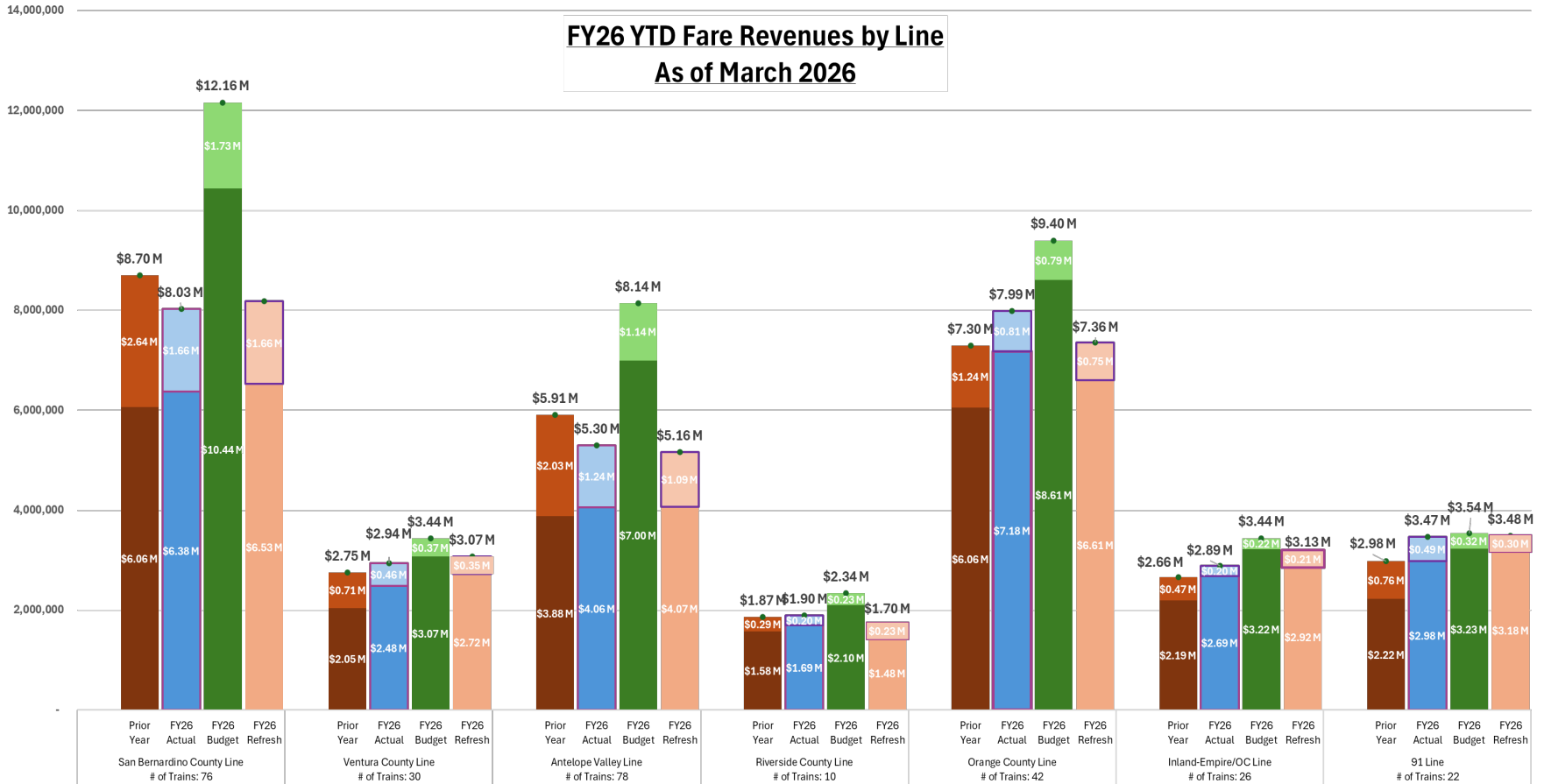


 Prior Year (FY25)
 FY26

 Original Forecast
 Refreshed Forecast




Upper portion of Bar = Subsidized Revenue
 Lower Portion of Bar = Base Revenue

FY26 YTD Fare Revenues by Line As of March 2026














Upper portion of Bar = Subsidized Revenue
Lower Portion of Bar = Base Revenue

Financial Results for March 2026

- Total Operating Revenue is \$47.4M, under budget by -\$9.0M or -16.0% 
- Total Expenses are \$241.6M, under budget by -\$22.7M or -8.6% 
- Overall Member Agency Support Required is currently in surplus by \$13.8M 

Major Categories below budget:

- Indirect Admin  by \$4.4M
- Insurance/Legal  by \$3.1M
- MOW-Line Segments  by \$3.0M
- Fuel  by \$2.5M
- Operation Non-Labor  by \$2.1M
- Station Maintenance  by \$1.6M
- L.A. Sheriffs  by \$1.2M
- MEGA Events  by \$0.8M
- Outside 20'  by \$0.8M
- Ops Professional Services  by \$0.8M
- Misc Others  by \$2.4M

Note:

Some of these expenses include accruals.

Comparisons are to the Adopted Budget not the refreshed forecast.

*Arrow direction
indicates over or
under budget*

 Unfavorable

 Favorable

FY2025-26 Metrolink Operating Statement

Operating Revenues

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY PRELIMINARY OPERATING STATEMENT FOR THE NINE MONTHS ENDING MARCH 31, 2026							
	<u>FY26 BUDGET</u>	<u>FY26 ACTUAL</u>	<u>VARIANCE FROM BUDGET</u>		<u>FY25 ACTUAL</u>	<u>VARIANCE FROM PRIOR YEAR ACTUAL</u>	
			<u>OVER/(UNDER)</u>	<u>%</u>		<u>OVER/(UNDER)</u>	<u>%</u>
Operation Revenue							
Farebox Revenue	37,675,633	27,458,112	(10,217,521)	(27.1%)	24,042,436	3,415,676	14.2%
SB Line Fare Reduction	294,481	408,464	113,983	38.7%	345,126	63,338	18.4%
Mobility 4 All	0	589,399	589,399	0	570,139	19,260	3.4%
Student Youth Discount Grant	2,571,894	2,052,517	(519,378)	(20.2%)	0	2,052,517	0.0%
Student Adventure Pass	0	0	0	0	5,218,764	(5,218,764)	(100.0%)
Other Train Subsidies	1,924,066	2,016,163	92,097	4.8%	1,957,440	58,723	3.0%
Special Trains	0	0	0	0	39,200	(39,200)	(100.0%)
Subtotal Fare Revenues	42,466,074	32,524,654	(9,941,419)	(23.4%)	32,173,105	351,549	1.1%
Dispatching	1,692,522	2,127,875	435,353	25.7%	1,950,406	177,469	9.1%
Other Revenues	2,154,483	2,553,555	399,072	18.5%	3,381,429	(827,873)	(24.5%)
MOW Revenues	10,140,363	10,236,891	96,528	1.0%	9,975,204	261,687	2.6%
Total Operating Revenues	56,453,442	47,442,976	(9,010,466)	(16.0%)	47,480,144	(37,168)	(0.1%)

FY2025-26 Metrolink Operating Statement

Operating Expenses

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY PRELIMINARY OPERATING STATEMENT FOR THE NINE MONTHS ENDING MARCH 31, 2026							
	<u>FY26 BUDGET</u>	<u>FY26 ACTUAL</u>	<u>VARIANCE FROM BUDGET OVER/(UNDER)</u>		<u>FY25 ACTUAL</u>	<u>VARIANCE FROM PRIOR YEAR ACTUAL OVER/(UNDER)</u>	
Student Adventure Pass Member Support	0	0	0	0	3,211,300	(3,211,300)	(100.0%)
Operating Expenses							
<u>Operations & Services</u>							
Train Operators	40,836,277	40,932,708	96,430	0.2%	33,725,606	7,207,102	21.4%
Train Dispatch	4,490,592	4,501,765	11,173	0.2%	4,345,951	155,815	3.6%
Equipment Maintenance	24,218,449	24,160,063	(58,386)	(0.2%)	23,126,243	1,033,820	4.5%
Materials	11,492,561	11,413,512	(79,049)	(0.7%)	10,607,630	805,882	7.6%
Fuel	23,873,175	21,377,026	(2,496,149)	(10.5%)	21,234,774	142,252	0.7%
Operating Facilities Maintenance	3,778,779	3,167,237	(611,542)	(16.2%)	1,491,268	1,675,969	112.4%
Other Operating Train Services	831,671	847,758	16,087	1.9%	405,841	441,917	108.9%
Security - LA Sheriffs	10,338,597	9,142,049	(1,196,548)	(11.6%)	8,933,780	208,269	2.3%
Security - SB Sheriffs	2,467,611	2,199,606	(268,005)	(10.9%)	0	2,199,606	0.0%
Security - Guards	4,261,770	4,348,779	87,009	2.0%	3,945,707	403,073	10.2%
Supplemental Security	85,159	0	(85,159)	(100.0%)	0	0	0.0%
Public Safety Program	50,202	17,192	(33,010)	(65.8%)	25,479	(8,286)	(32.5%)
Passenger Relations	1,483,776	1,296,239	(187,537)	(12.6%)	1,347,325	(51,086)	(3.8%)
TVM Maint/Revenue Collection	4,526,406	3,913,096	(613,310)	(13.5%)	3,362,242	550,854	16.4%
Marketing	2,596,486	2,174,574	(421,912)	(16.2%)	1,331,651	842,923	63.3%
Media & External Communications	226,716	64,651	(162,065)	(71.5%)	71,169	(6,517)	(9.2%)
Utilities / Leases	2,132,550	1,909,599	(222,951)	(10.5%)	1,776,347	133,252	7.5%
Transfers to Other Operators	2,169,000	2,552,452	383,452	17.7%	2,440,936	111,517	4.6%
Amtrak Transfers	515,844	784,784	268,940	52.1%	494,915	289,869	58.6%
Station Maintenance	5,235,021	3,675,700	(1,559,321)	(29.8%)	2,805,664	870,036	31.0%
Rail Agreements	5,498,217	5,258,256	(239,961)	(4.4%)	4,639,742	618,514	13.3%
Subtotal Operations & Services	151,108,859	143,737,046	(7,371,814)	(4.9%)	126,380,048	17,356,998	13.7%

FY2025-26 Metrolink Operating Statement

Operating Expenses

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY PRELIMINARY OPERATING STATEMENT FOR THE NINE MONTHS ENDING MARCH 31, 2026							
	<u>FY26 BUDGET</u>	<u>FY26 ACTUAL</u>	<u>VARIANCE FROM BUDGET OVER/(UNDER)</u>		<u>FY25 ACTUAL</u>	<u>VARIANCE FROM PRIOR YEAR ACTUAL OVER/(UNDER)</u>	
Maintenance-of-Way							
MoW - Line Segments	39,480,407	36,525,316	(2,955,091)	(7.5%)	33,609,133	2,916,183	8.7%
MoW Labor & Benefits	3,572,346	3,919,239	346,892	9.7%	3,360,591	558,648	16.6%
Overhead MoW Expenses	3,484,544	3,892,790	408,246	11.7%	2,536,214	1,356,576	53.5%
MoW - Extraordinary Maintenance	621,567	346,989	(274,578)	(44.2%)	448,609	(101,620)	(22.7%)
Subtotal Maintenance-of-Way	47,158,864	44,684,334	(2,474,531)	(5.2%)	39,954,547	4,729,787	11.8%
Administration & Services							
Ops Salaries & Benefits	14,330,049	13,758,009	(572,039)	(4.0%)	13,975,570	(217,561)	(1.6%)
Ops Non-Labor Expenses	9,196,372	7,109,617	(2,086,755)	(22.7%)	5,936,799	1,172,818	19.8%
Indirect Administrative Expenses	20,082,075	15,635,982	(4,446,093)	(22.1%)	14,135,781	1,500,201	10.6%
Ops Professional Services	1,556,099	719,772	(836,328)	(53.7%)	1,543,423	(823,651)	(53.4%)
Subtotal Administration & Services	45,164,594	37,223,379	(7,941,215)	(17.6%)	35,591,572	1,631,807	4.6%
Contingency	37,511	13,400	(24,111)	(64.3%)	2,500	10,900	436.0%
Total Operating Expenses	243,469,829	225,658,159	(17,811,670)	(7.3%)	201,928,667	23,729,491	11.8%
Insurance Expense (Recoveries)							
Liability/Property/Auto/Misc	14,102,928	12,206,474	(1,896,454)	(13.4%)	12,294,753	(88,279)	(0.7%)
Net Claims / SI	1,380,564	114,706	(1,265,858)	(91.7%)	323,511	(208,805)	(64.5%)
Claims Administration	1,654,542	1,717,369	62,827	3.8%	1,355,256	362,113	26.7%
Subtotal Insurance Expense (Recovery)	17,138,034	14,038,548	(3,099,486)	(18.1%)	13,973,520	65,029	0.5%
Total Operating Expenses	260,607,863	239,696,707	(20,911,156)	(8.0%)	219,113,487	20,583,220	9.4%
Mini Bundle Mobilization	0	0	0	0	4,497,032	(4,497,032)	(100.0%)
Total Expenses with Mobilization	260,607,863	239,696,707	(20,911,156)	(8.0%)	223,610,519	16,086,188	7.2%
Mega Events	1,186,012	355,599	(830,413)	(70.0%)	0	355,599	0.0%
CFR Compliance	330,433	151,905	(178,528)	(54.0%)	0	151,905	0.0%
Outside 20	2,247,109	1,427,962	(819,147)	(36.5%)	0	1,427,962	0.0%
Total Expenses	264,371,417	241,632,173	(22,739,244)	(8.6%)	223,610,519	18,021,654	8.1%
Unbudgeted Special Trains							
Holiday Trains							
Surplus / (Deficit)	0	28,476	28,476	0	91,392	(62,915)	(68.8%)
Insomniac Trains							
Surplus / (Deficit)	0	(0)	(0)	0	67,310	(67,310)	(100.0%)
Net effect of Unbudgeted Special Trains	0	28,476	28,476	0	158,701	(130,225)	(82.1%)
Net Loss	(207,917,975)	(194,160,721)	13,757,254	(6.6%)	(175,971,674)	(18,189,047)	10.3%
Member Subsidies	207,689,468	207,689,468	0	0.0%	199,016,870	8,672,598	4.4%
*Surplus / (Deficit)	(228,507)	13,528,747	13,757,254	n/a	23,045,197	(9,516,449)	(41.3%)

*Budget deficit the result of non-billing for amendment

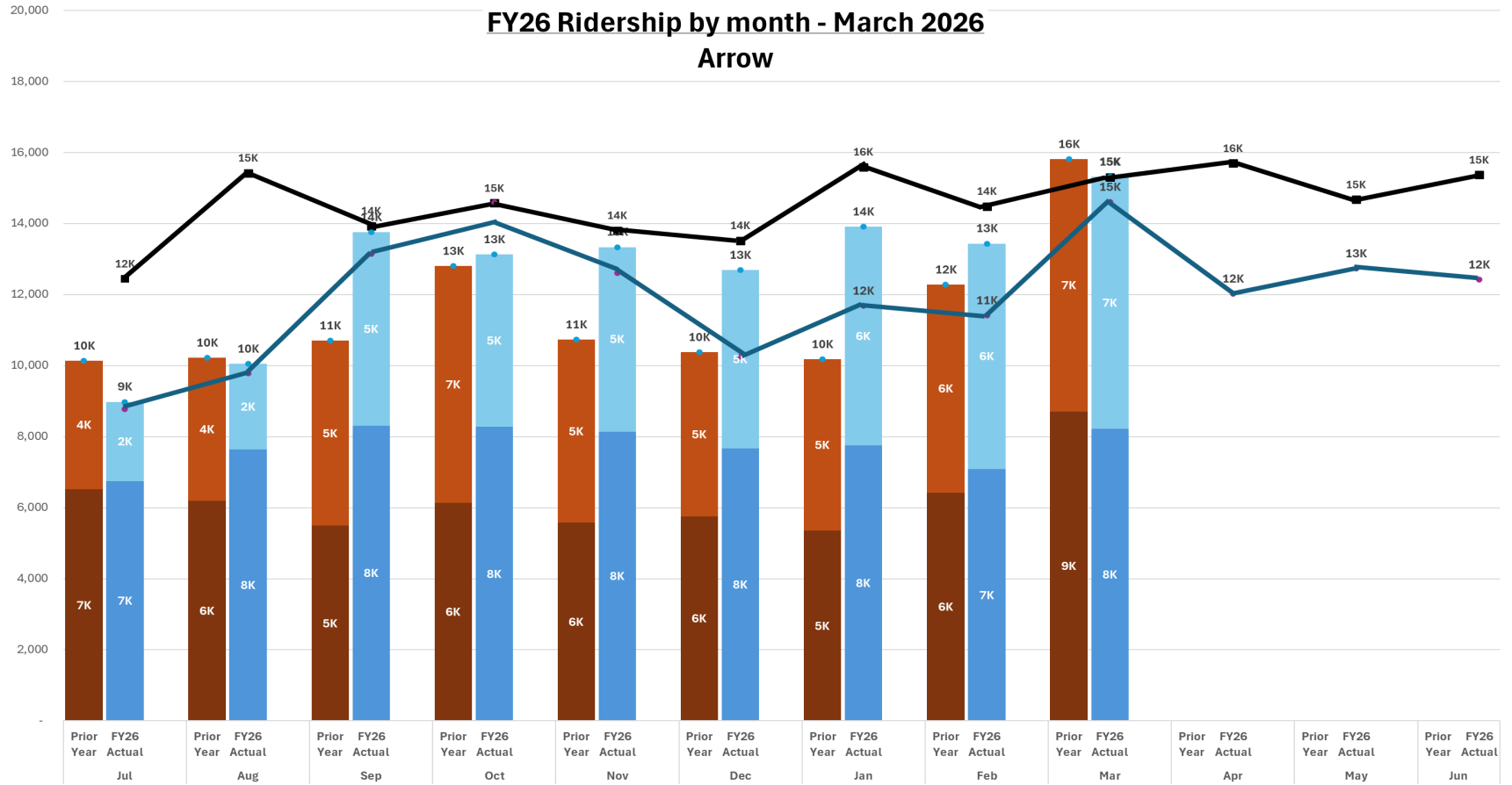
Arrow Service



METROLINK

FY26 Ridership by month - March 2026

Arrow



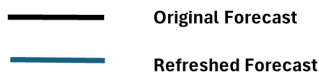
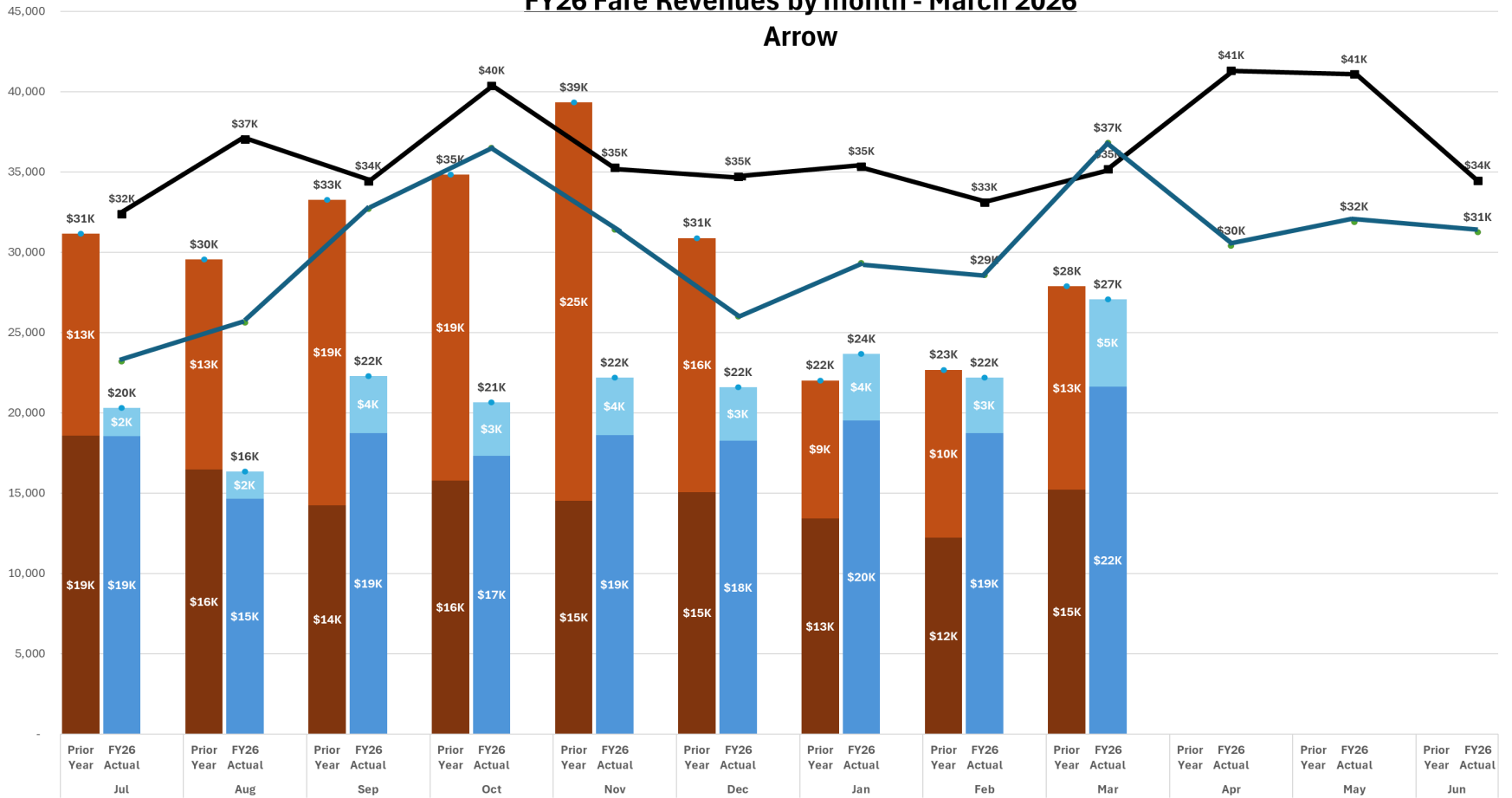
Prior Year (FY25)
 FY26

Original Forecast
 Refreshed Forecast

Upper portion of Bar = Subsidized Ridership
Lower Portion of Bar = Base Ridership

FY26 Fare Revenues by month - March 2026

Arrow



Upper portion of Bar = Subsidy Revenue
Lower Portion of Bar = Base Revenue

FY26 Arrow Service Financial Results

Financial Results for YTD March 2026

Operating Revenue is \$381K, under budget by \$120K or -24.0% 

Total Expenses are \$11.2M, under budget by \$2.5M or -18% 

Support is \$10.8M, under budget by \$2.3M or 17.8% 

Note:

Comparisons are to the Adopted Budget not the refreshed forecast.

Arrow direction indicates over or under budget

 Unfavorable

 Favorable



METROLINK

Thank you.



ITEM ID: 2026-161-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Justin Fornelli, Chief, Program Delivery

SUBJECT: Capital Program Status Report

Issue

Staff is providing an update on the progress of the Authority’s Capital Program, including the Southern California Optimized Rail Expansion (SCORE) Program and the State of Good Repair Program.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. The report provides our Board with timely updates on the progress of the Capital Program. The new capital program, in addition to SCORE, adds to the safety, expansion, and growth of the system. The State of Good Repair Program ensures the safety and reliability of the Authority’s existing assets.

Background

The Authority’s Capital Program consists of two major components: New Capital Projects and State of Good Repair (SoGR) Programs. The Capital Program, outside of SCORE, is budgeted annually, and projects are typically delivered over multiple years. Funding for capital

projects is provided by Member Agencies through the annual budget process. The Authority also applies for local, state, and federal funds for additional SoGR and New Capital Projects.

New Capital Projects expand railroad infrastructure and improve the customer experience, including items such as new sidings, safety enhancements to grade crossings, modernized signal and communication systems, and new rolling stock.

The SoGR Program addresses existing capital assets to keep them in a state of good repair through activities such as:

- Rehabilitation of tunnels, bridges, and culverts
- Replacement of worn ties and rail
- Replacement of worn or outdated signal system components
- Programmed rehabilitation of rolling stock components such as car door operators and heating/ventilation/air conditioning (HVAC), and mid-life overhaul of rail cars and locomotives

All project progress is tracked through the Authority's project reporting system, which is maintained by the Program Management Oversight (PMO) department. Regular meetings are held with project managers to review the progress of active projects. Staff also prepare quarterly project expenditure forecasts to estimate cash flow requirements.

As part of the PMO's effort to improve its reporting and tracking capabilities, key performance indicators (KPIs) have been developed and are included in this report.

This item has been updated to reflect financial expenditures and project status through December 31, 2025.

Discussion

Since the last Capital Program Status Update in January 2026, the following multiple key accomplishments were achieved:

SCORE Program:

- Received Caltrans Program Supplement for the following new project phases:
 1. Marengo Siding Extension Construction (\$30.34M)
 2. Rancho Cucamonga Siding Extension Construction (\$35.66M)
 3. CP Riverside 2nd Crossover PA&ED (\$300K)
- Received additional \$2.40M of PS&E Caltrans Supplemental funding allocation to complete Camera-Ready design for the El Monte Siding and Station Improvements Project.
- Continuing negotiations with the City of El Monte on the Purchase & Sale Agreement on the El Monte Siding and Station Improvements project.
- Negotiations with Union Pacific over the fiber relocation issue continue for the Simmi Valley Project.
- Received additional \$6.32M of ROW funding allocation to complete condemnation for the Chatsworth Station Pedestrian Underpass Project.
- The Invitation For Bid for the San Bernardino Line construction projects (Marengo Siding

Extension and Rancho Cucamonga Siding Extension) have been issued for bid.

- GO 88-B Agreement is in development and review for the Ventura Line projects.

Authority staff have been collaborating with our funding partners at CalSTA, Caltrans, and the Member Agencies to determine strategies to address the funding gap and advance key projects. These strategies include prioritizing projects based on operational benefits, reallocation of available funds from projects that have been completed under budget or that have been deferred and pursuing additional grant funding opportunities. Specifically, the Authority is working with Metro to pursue \$206M funding to bridge some of the gaps for projects on the Antelope Valley Line.

State of Good Repair Program

On-Board Train Control Systems Rehabilitation:

- Train Management Computer Upgrade: 132 out of 140 units have been upgraded. Estimate time of completion to upgrade remaining units is December 2026.
- Global Positioning System Upgrade: Work Directive under Stadler contract E761-25 to install GPS system on DMUs and ZEMU have been executed, work to be completed by end of March. Work Directive is in progress under Alstom contract MSOP158 to perform fleet wide installation. Upgrade process takes approximately 2 years on all operational units.
- Next Gen Data Radio: Procurement of new Data Radios pending Meteorcomm rollout plan.

Rolling Stock State of Good Repair:

- Rotem HVAC Overhaul: 144 of 184 HVAC units overhauled; 57 of 92 control panels overhauled.
- Bombardier HVAC Overhaul: Initial order of 180 units overhauled; Additional order of 87 HVAC's to be overhauled has been placed and 47 of 87 units overhauled.
- Rotem Emergency Window Gasket Replacement: NTP issued - work in progress.

SoGR Track, Structures, & Signal Projects by Line:

- Antelope Valley Line
 - Structures design – Valley Sub Structures design progressing to 30% next quarter. Field visit for load ratings complete.
 - Signal – Design 90% complete for CP Portal, CP Ravenna, CP Kocian & CP Harold. Construction RFPs sent out.
 - Track Rehab – Design finalized for projects funded in FY 2024-25. The construction and installation scope went out for bid in March 2026. Work includes Rail Replacement, Crossing Rehab & Tie Replacement. Drayton St. crossing rehab completed.
- Ventura County Line
 - Pacific Surfliner Corridor Rehabilitation and Reliability Project: 100% Design Complete. Work completion planned for early 2028.
 - 3 crossing rehab locations at Woodley Ave, Clybourn Ave and Vineland Ave are expected to be completed by Dec 2026.
- Orange County Line
 - FY20 Culvert Rehabilitation Project: Staff are working on satisfying special

- conditions for Coastal Development Permit with California Coastal Commission.
 - Signal Design: CTOs for CP Maple & CP La Palma in progress, scheduled for completion by June 2027.
 - Signal construction at various locations is in progress with anticipated construction completion date of Dec 2026.
 - FY23-FY24 Orange Sub Track rehab project NTP issued Feb 2026. Materials are being ordered.
 - Calafia culvert re-establishment project: Staff are finalizing the permitting process with California Coastal Commission. Fiber relocation needed for project by Verizon in June 2026.
 - The Slope Stabilization and Grading project design is complete and has been turned over to OCTA. Authority has reviewed the CO-OP Agreement with OCTA for repairs along the rail corridor between the Irvine and Laguna Niguel/Mission Viejo Metrolink Stations; the agreement has been executed and funds received.
- San Bernardino Line
 - FY20 Signal Design at 100% for WCNSS for Upland Station at Campus Ave and 2nd Ave, and construction CTO issued to install WCNSS by Dec 2026. CP Bassett cutover will be completed by May 2026.
 - FY22 culvert design progressing to 30% with bridge load ratings and environmental clearance underway.
 - FY24 procured 300 ties for the Short Way. Issued WD for construction with completion expected end of May 2026.
 - FY24 Track Rehab Design at 60%. Scope includes Rail Replacements, Turnout Rehab, and Concrete Tie upgrades. Issued a Work Directive to procure rail and is expected to deliver by late 2026.
 - FY25 Signal design CTO was issued in Feb. 2026.
 - Construction CTO for Merced & Hamburger Lane was issued. The Construction is expected to be completed by Dec 2027.
- Perris Valley Line
 - FY21 NEPA-CE mailed tribal consultation letter for PVL Drainage Improvements project with 60% design completed. SCRRA waiting on environmental clearance before advancing to 90% design.
 - FY22 Completed 6 crossing Recorders in the 2nd Quarter 2025.
 - FY25 Signal design CTO will be issued by Feb. 2026. Completion of design is scheduled for Dec 2026.
 - FY25 Track Rehab Request for Proposal issued, and Job Order issued for Track Crossing Rehab on PVL.
- River Subdivision
 - 100% design for Arroyo Seco Bridge completed and RFP was issued for construction. There is a significant increase in cost associated for construction. Additional funding will be required to complete construction. A request for additional funding is included in the FY-27 capital budget request.
 - FY19 Cutovers for CP Capitol and CP Dayton delayed due to cancellation of Absolute Work Windows (AWW) for World Cup. The work has been rescheduled to fall of 2027.
 - FY24 Signal Design CTO issued for CP Dayton. Design completion is expected by Dec 2026 and construction CTO to follow early in 2027.

- FY24 Track Diamond replacement under review for 100% draft design, WD for construction issued in Feb 2026 with construction expected to be completed by May 2027.
- FY25 Track Rehab issued CTO for Design in Feb 2026. Work will include Rail Replacements and Crossing Rehab. Scheduled for Completion by Dec 2027.
- Issuance of the FY25 design CTO for Drainage Improvements and the H&H study was initiated in March 2026.

Attachment A provides an overview of the Authority’s project portfolio as well as more detailed status by project type.

Quarter Ended December 31, 2025, Performance Summary

New Capital Projects

The latest performance results for the Authority are included in the following summaries. Table 1 below provides a summary of major New Capital Projects currently in progress, excluding \$1.09 Billion of SCORE funding secured by the Authority and other agencies that will be performed by entities other than the Authority.

Table 1. Capital Program by Department (\$K) (Active Projects Only)

PROJECT CATEGORY	BUDGET	EXPENDED	BALANCE
Capital PTC / CRISI Grants (Communications)	\$ 15,888	\$ 9,944	\$ 5,943
Track, Structures, & Signals	\$ 87,066	\$ 48,253	\$ 38,813
SCORE (SCRRA)	\$ 861,625	\$ 123,860	\$ 737,765
F125 Locomotive Procurement (Rolling Stock)	\$ 257,001	\$ 254,204	\$ 2,797
Miscellaneous Capital Equipment (Facilities)	\$ 30,587	\$ 304	\$ 30,283
Other (IT)	\$ 16,603	\$ 5,761	\$ 10,841
TOTAL	\$ 1,268,773	\$ 442,327	\$ 826,446

Note: Numbers may not sum to total due to rounding.

SoGR Program

The adjusted currently funded SoGR Program budget for the period of FY2017-18 through FY2024-25 is \$641 million (including reprogrammed projects of \$19.5 million). SoGR projects are primarily delivered over a four-year period within the departments of Program Delivery, Operations, Information Technology and Customer Experience. Reprogrammed projects are created when projects completed under budget have remaining funds and are transferred to new projects. The new projects are referred to as reprogrammed projects.

SoGR Project Status

From FY2017-18 through December 31, 2025, the Authority completed and closed 137 SoGR Projects totaling \$160 million in expenditures.

Table 2 summarizes the progress of SoGR Projects as of December 31,2025. Current Budget

for fiscal years FY2021-22 through FY2024-25 are the approved budgets. It should be noted that due to delays in processing all FTA funding applications, the FY23 all share projects were delayed initiating.

Table 2. SoGR Project Status for Active and Completed Projects Fiscal Years 2017-18 to 2024-25 and Reprogrammed Projects (\$K)

YEAR OF ADOPTION	¹CURRENT BUDGET	²EXPENDED	BALANCE
FY2017-18	\$40,684	\$39,566	\$1,117
FY2018-19	\$58,470	\$38,799	\$19,671
FY2019-20	\$51,928	\$42,619	\$9,308
FY2020-21	\$46,054	\$31,662	\$14,392
FY2021-22	\$61,253	\$38,352	\$22,900
FY2022-23	\$88,858	\$38,686	\$50,171
FY2023-24	\$123,936	\$13,013	\$110,923
FY2024-25	\$150,939	\$2,214	\$148,725
Reprogrammed	\$19,597	\$6,801	\$12,796
³Total	\$641,723	\$251,715	\$390,008

Notes:

1. When a project is closed or reprogrammed, the baseline budget is replaced with actual expenditures to reflect 100% of the budget being used. This adjusted budget for closed and reprogrammed projects along with the baseline budget of active projects make up the current budget.
2. Expended amounts on Table 2 are for paid and accrued invoices and do not reflect amounts billed to grantor.
3. Numbers on Table 2 may not sum to total due to rounding.

Next Steps

Through monthly review of the Capital Program, staff continues to identify areas of improvement to accelerate the delivery of projects and improve processes. Staff will also continue to keep Member Agencies informed and provide regular updates to the Board. The next Capital Program Status report is scheduled for June 2026.

Prepared by: Hasnain Mehdvi, Senior Management Analyst (Project Controls)

Approved by: Justin Fornelli, Chief, Program Delivery

Attachment(s)

[Attachment A - Capital Sheets Project Status Dec 2025](#)
[Presentation - Capital Program Status Report March 2026](#)



Southern California Regional Rail Authority NEW CAPITAL AND STATE OF GOOD REPAIR PROGRAM

PROJECT STATUS REPORT

Expenditures through December 31, 2025

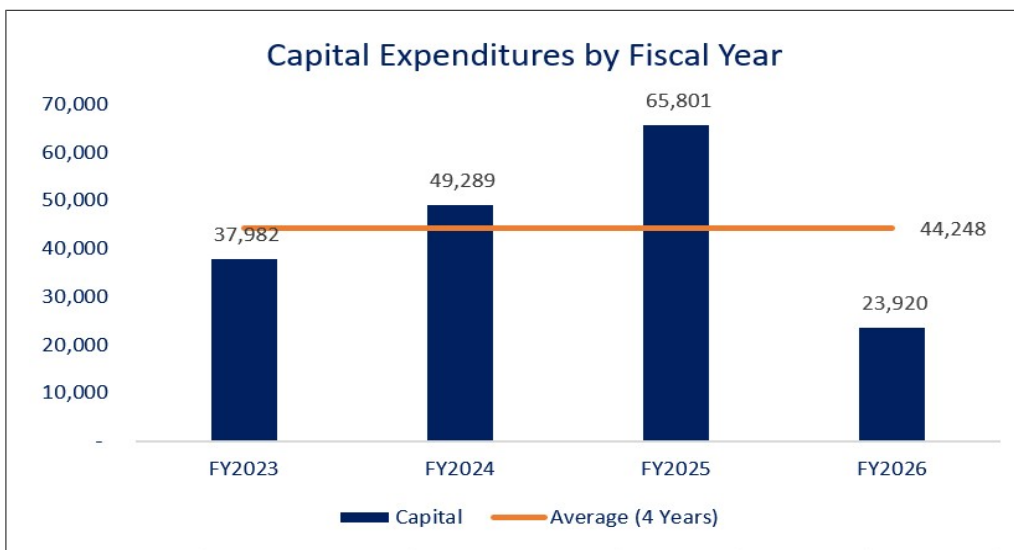
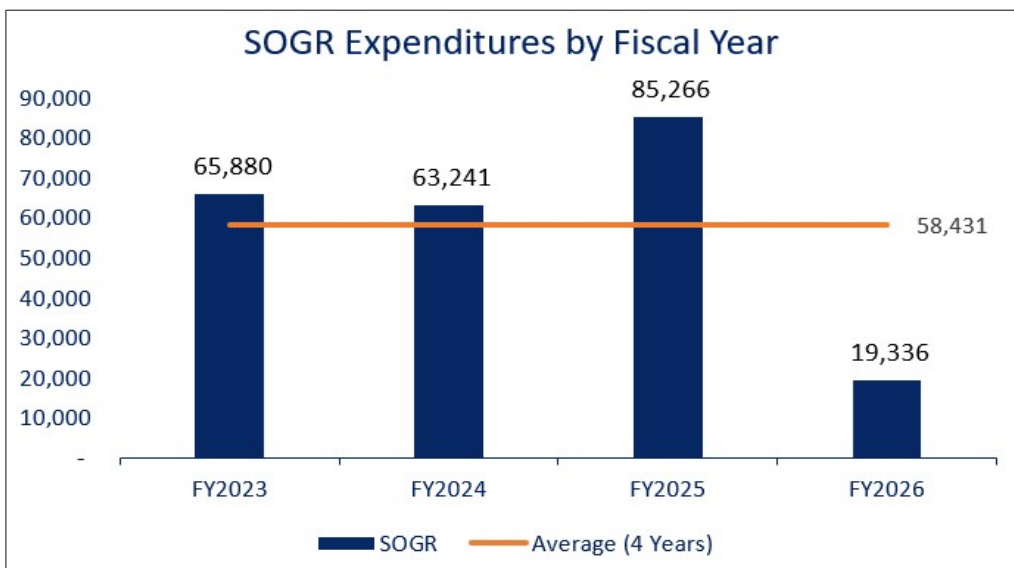
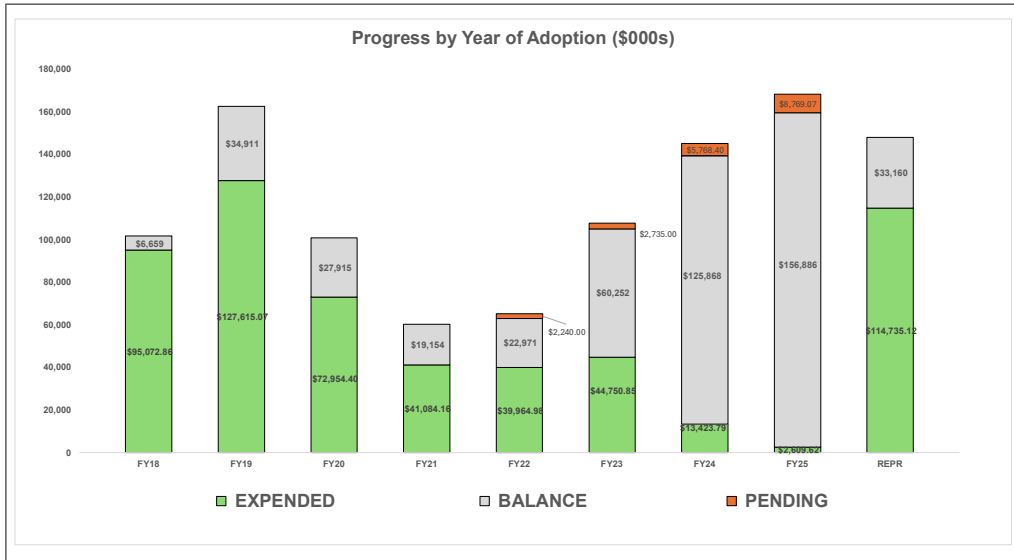


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3	SCRRA Capital Projects Summary			
	State of Good Repair (SoGR) Projects			
4	Antelope Valley Line – Track, Structures, & Signals	Valley	Track, Structures, & Signals	Multiple
5	Ventura County Line – Track, Structures, & Signals	Ventura	Track, Structures, & Signals	Multiple
6	Orange County Line – Track, Structures, & Signals	Orange/Olive	Track, Structures, & Signals	Multiple
7	San Bernardino Line - Track, Structures, & Signals	San Gabriel	Track, Structures, & Signals	Multiple
8	Perris Valley Line – Track, Structures, & Signals	Perris Valley	Track, Structures, & Signals	Multiple
9	River Corridor - Track, Structures, & Signals	River	Track, Structures, & Signals	Multiple
10	Bombardier Passenger Car Rebuild	Systemwide	Rolling Stock	Multiple
11	Communications	Systemwide	Comm & PTC	Multiple
12	On-Board Train Control Systems	Systemwide	Comm & PTC	Multiple
13	Back-Office Train Control Systems Rehabilitation	Systemwide	Comm & PTC	Multiple
14	Rolling Stock State of Good Repair	Systemwide	Rolling Stock	Multiple
15	Track Maintenance	Systemwide	Track	Multiple
	Capital Projects			
16	Southern California Optimized Rail Expansion (SCORE) Phase 1 - SCRRA Implemented Projects	Systemwide	Multiple	Multiple Environmental
17	San Juan Creek Bridge	Orange	Structures	Construction

SCRRA Project Portfolio Summary



SCRRA Capital Program

- The State of Good Repair portfolio consists of 204 active projects, with budgets totaling \$641.8M
- The New Capital portfolio consists of 156 active projects, with budgets totaling \$1.27B
- In addition, SCRRA staff manages 85 Third Party projects requiring extensive coordination with external agencies
- Expenses shown through FY2025-26 Quarter ending December 2025.

Subdivision: Antelope Valley Line

Asset Type: Track, Structures, & Signals

Antelope Valley Line - Track, Structures & Signals

Map of Project:



Project Scope Summary:

- The Track, Structures and Signals SoGR program includes the rehabilitation and replacement of existing Metrolink-owned and maintained track, structures, signal systems, and grade crossing warning systems.

Project Benefit:

- Maintain State of Good Repair.
- Improve Service Reliability.
- Reduce Operating Costs.
- Reduce Train Accidents.

Project Status and Continuing Activities:

- 100% Design complete for Tunnel 25 tie/ballsat rehab (FY23)
- Valley Sub Structures design progressing to 30% next quarter. Field visit for load ratings complete.
- Signal design 90% complete for CP Portal, CP Ravenna, CP Kocian & CP Harold. Construction RFP's sent out.
- FY22 Hot Box Detector upgrades completed on the AVL.
- FY24 Track Rehab bids received, going to board in March 2026. Work includes Rail Replacement, Crossing Rehab & Tie Replacement. Drayton St crossing rehab completed.

Schedule Summary		
Milestone	Actual/[Forecast]	
	Start	End
Reprogrammed	Aug-23	[Jun-26]
FY2018-19	Nov-18	[Dec-26]
FY2019-20	Nov-19	[Dec-26]
FY2021-22	Jul-22	[Dec-27]
FY2022-23	Apr-23	[Feb-28]
FY2023-24	May-24	[Jun-28]
FY2024-25	Nov-25	[Jun-27]

Project Notes of Interest:

- FY2024-25 projects added this report.

Project Risk:

- Annual investment on the Antelope Valley Line is needed to prevent track infrastructure from degrading to a point where Metrolink service is no longer reliable to ensure the safety of our passengers due to slow orders.

Safety:

- 23 curves with high rates of wear are being monitored for excessive wear, these locations are monitored continually.

Budget Status (\$000s)		
Project Category	Budget	Expend
2019	750	633
2020	14,375	12,562
2022	15,595	9,845
2023	6,000	580
2024	16,498	727
2025	7,366	3
Reprogrammed	3,100	2,744
Total	63,684	27,095

Funding Sources (\$000s)	
Federal	7,000
Local	56,684
Total	63,684

Project Manager: Aaron Azevedo

azevedoa@scrra.net

Public Affairs Contact: Meredith Yeoman

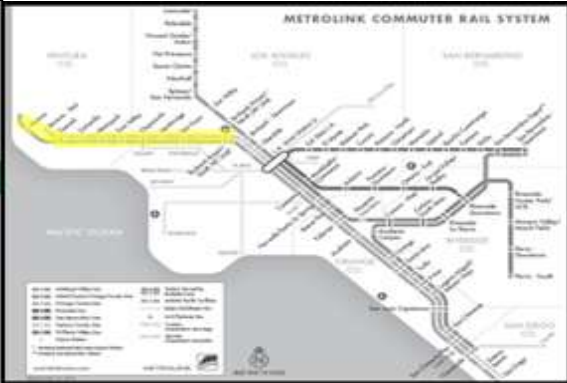
YeomanM@scrra.net

Subdivision: Ventura County Line

Asset Type: Track, Structures, & Signals

Ventura County Line - Track, Structures & Signals

Map of Project:



Project Scope Summary:

- The Track, Structures and Signals SoGR program includes the rehabilitation and replacement of existing Metrolink-owned and maintained track, structures, signal systems, and grade crossing warning systems.

Project Benefit:

- Maintain State of Good Repair.
- Improve Service Reliability.
- Reduce Operating Cost.
- Reduce Train Accidents.

Project Status and Continuing Activities:

- Construction RFP's issued for CP Topanga, CP Davis, CP Bernson, CP Strathern and First St Crossing. Work at all locations are planned to be completed by December 2026.
- Pacific Surfliner Corridor Rehabilitation and Reliability Project: 100% Design Complete. Work completion planned for early 2028
- Arroyo Simi Bridges identified to have budget overrun concerns due to required environmental mitigation. Staff is currently working with Grants, VCTC, and designer with resolving budget issues. Design progressing to 100%. Applied for earmark, LCTAP grant was unsuccessful.
- 3 crossing rehab locations at Woodley Ave, Clybourn Ave and Vineland Ave are expected to be completed by Dec 2026

Schedule Summary		
Milestone	Actual/[Forecast]	
	Start	End
FY2018-19	Nov-18	[Jun-27]
FY2019-20	Nov-19	[Sep-26]
FY2020-21	Jul-21	[Aug-26]
FY2021-22	Jul-22	[Dec-26]
FY2023-24	May-24	[Jun-28]
FY2024-25	Jun-25	[Jun-29]

Project Notes of Interest:

- The Ventura Line is split between Ventura and LA Counties; projects are funded by appropriate Member Agency.

Budget Status (\$000s)		
Project Category	Budget	Expend
2019	11,227	1,830
2020	5,382	2,371
2021	3,746	930
2022	2,845	1,031
2024	11,686	616
2025	3,643	23
Total	38,529	6,802

Project Risk:

- No risk items to report.

Funding Sources (\$000s)	
Federal	24,781
State	5,072
Local	8,676
Total	38,529

Safety:

- No safety items to report; however, homeless encampments are being monitored near proposed culvert replacement projects.

Project Manager: Aaron Azevedo

azevedoa@scrra.net

Public Affairs Contact: Meredith Yeoman

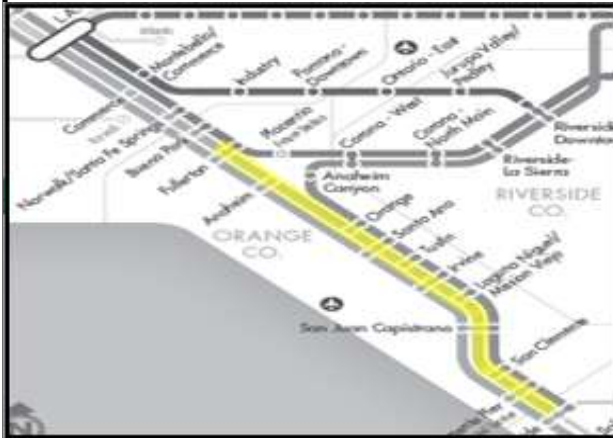
YeomanM@scrra.net

Subdivision: Orange County Line

Asset Type: Track, Structures, & Signals

Orange County Line - Track, Structures & Signals

Map of Project:



Project Scope Summary:

- The Track, Structures and Signals SoGR program includes the rehabilitation and replacement of existing Metrolink-owned and maintained track, structures, signal systems, and grade crossing warning systems.

Project Benefit:

- Maintain State of Good Repair.
- Improve Service Reliability.
- Reduce Operating Cost.
- Reduce Train Accidents.

Project Status and Continuing Activities:

- Signal design CTOs for CP Maple & CP La Palma in progress, scheduled for completion by June 2027.
- FY20 Culverts Rehabilitation Project staff is working on satisfying special conditions for Coastal Development Permit with California Coastal Commission
- Signal construction at various locations are in progress with anticipated construction completion date of Dec 2026 due to long material lead-time.
- The Slope Stabilization and Grading project design is complete and has been turned over to OCTA. Authority has reviewed the CO-OP Agreement with OCTA for repairs along the rail corridor between the Irvine and Laguna Niguel/Mission Viejo Metrolink Stations; the agreement is executed and funds received
- FY23-24 Orange Sub Track rehab proj. NTP issued Feb 2026. Materials are being ordered.
- Calafia culvert re-establishment project staff is finalizing the permitting with California Coastal Commission. Fiber relocation needed for project by Verizon in June 2026.

Schedule Summary

Milestone	Actual/[Forecast]	
	Start	End
Reprogrammed	May-20	[Jun-26]
FY2018-19	Apr-19	[Jun-26]
FY2019-20	Apr-20	[Apr-26]
FY2020-21	Jul-21	[Apr-26]
FY2021-22	Jul-22	[Jun-26]
FY2022-23	Mar-24	[Jun-27]
FY2023-24	Jul-24	[Jun-28]
FY2024-25	Nov-25	[Jun-28]

Project Notes of Interest:

- No notes of interest to report.

Budget Status (\$000s)

Project Category	Budget	Expend
2019	2,691	2,474
2020	2,380	659
2021	3,258	1,197
2022	8,920	7,393
2023	9,364	973
2024	10,618	960
2025	14,562	5
Reprogrammed	1,361	1,223
Total	53,154	14,884

Project Risk:

- Rehab work requiring Absolute Work Windows on the Orange Line are limited to 5-7 weekends per year, in conjunction with North County Transit District's schedule.

Funding Sources (\$000s)

Federal	53,154
Total	53,154

Safety:

- The ground anchor installation at MP206.8 (Cyprus Shores, San Clemente), which is being led by OCTA, is complete with remaining punchlist items and site restoration work.

Project Manager: Aaron Azevedo

azevedoa@scrra.net

Public Affairs Contact: Meredith Yeoman

YeomanM@scrra.net

Subdivision: San Bernardino Line

Asset Type: Track, Structures, & Signals

San Bernardino Line - Track, Structures & Signals

Map of Project:



Project Scope Summary:

- The Track, Structures and Signals SoGR program includes the rehabilitation and replacement of existing Metrolink-owned and maintained track, structures, signal systems, and grade crossing warning systems.

Project Benefit:

- Maintain State of Good Repair.
- Improve Service Reliability.
- Reduce Operating Cost.
- Reduce Train Accidents.

Project Status and Continuing Activities:

- FY20 Signal Design at 100% for WCNSS for Upland Station at Campus Ave and 2nd Ave, and construction CTO issued to install WCNSS by Dec 2026. CP Bassett cutover will be completed by May 2026.
- FY22 culvert design progressing to 30% with bridge load ratings and environmental clearance underway.
- Construction CTO for Merced & Hamburger Lane were issued. The Construction is expected to be completed by Dec 2027.
- FY24 procured 300 ties for the Short Way. Issued WD for construction with completion expected end of May 2026.
- FY24 Track rehab Design at 60% Work includes Rail Replacements, Turnout Rehab, and Concrete Tie upgrades. RFP to go out in June 2026, combined with FY25 Track Rehab.
- FY24 Signal Design CTO issued for CP Barranca house Barranca Ave crossing/meter upgrade. Design to be completed by Dec 2026. Construction CTO will in 2027.
- Staff has requested non-documented CE from FTA for Big Dalton Wash. Selecting bridge repair alternative next quarter.
- FY25 Signal design CTO was issued in Feb. 2026.

Schedule Summary

Milestone	Actual/[Forecast]	
	Start	End
FY2018-19	Apr-19	[Jun-26]
FY2019-20	Mar-20	[Dec-26]
FY2020-21	Jul-21	Dec-24
FY2021-22	Jul-22	[Jun-26]
FY2023-24	May-24	[Mar-28]
FY2024-25	Jul-25	[June-28]

Budget Status (\$000s)

Project Category	Budget	Expend
2019	3,743	3,546
2020	16,067	14,923
2021	4,547	4,095
2022	11,448	5,675
2024	10,249	282
2025	14,817	36
Total	60,871	28,557

Funding Sources (\$000s)

Federal	22,140
State	1,442
Local	37,288
Total	60,871

Project Notes of Interest:

- The Fiscal Year Rehab budget is approved on an annual basis by the Member Agencies, MTA and SBCTA via a 60%/40% funding allocation split, respectively.

Project Risk:

- No risk items to report.

Safety:

- Bridge 19.79 requires special inspections weekly until a permanent deck replacement solution is funded and completed. Bridge has a permanent speed restriction from 60MPH down to 40MPH, until bridge deck is replaced.

Project Manager: Aaron Azevedo

azevedoa@scrra.net

Public Affairs Contact: Meredith Yeoman

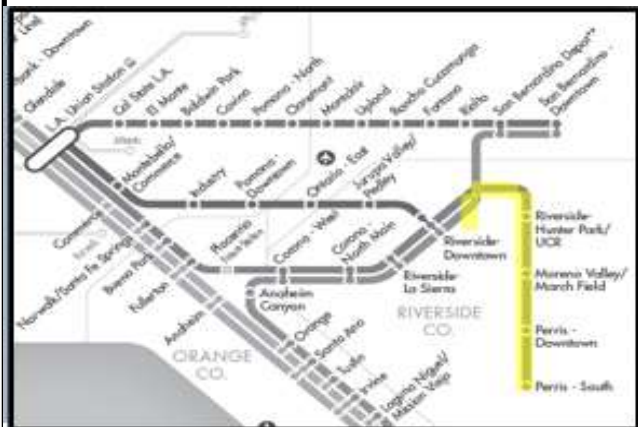
YeomanM@scrra.net

Subdivision: Perris Valley Line

Asset Type: Track, Structures, & Signals

Perris Valley Line - Track, Structures & Signals

Map of Project:



Project Scope Summary:

- The Track, Structures and Signals SoGR program includes the rehabilitation and replacement of existing Metrolink-owned and maintained track, structures, signal systems, and grade crossing warning systems.

Project Benefit:

- Maintain State of Good Repair.
- Improve Service Reliability.
- Reduce Operating Cost.
- Reduce Train Accidents.

Project Status and Continuing Activities:

- FY21 NEPA-CE mailed tribal consultation letter for PVL Drainage Improvements project, 60% design completed. SCRRRA waiting on environmental clearance before advancing to 90% design.
- FY25 Track Rehab issued RFP and JO for Track Crossing Rehab on PVL.
- FY22 Completed 6 crossing Recorders in the 2nd Quarter 2025. FY25 Signal design CTO was issued by Feb. 2026. Completion scheduled by Dec 2026.

Project Notes of Interest:

- The Fiscal Year budget is approved on an annual basis by the Member Agency, RCTC.
- FY2023-24 Project FTA Funding pending environmental clearance and not including in funding in this report.

Project Risk:

- RCTC is considering expanding the Scope of Work to address global issues outside of the Railroad Right of Way related to the project.

Safety:

- No safety items to report.

Schedule Summary

Milestone	Actual/[Forecast]	
	Start	End
FY2020-21	Jul-21	[Jun-26]
FY2021-22	Jul-22	[Dec-26]
FY2024-25	[Jan-26]	[Dec-27]

Budget Status (\$000s)

Project Category	Budget	Expend
2021	4,572	2,342
2022	2,015	367
2025	2,481	5
Total	9,067	2,714

Funding Sources (\$000s)

Federal	9,002
PBR	65
Total	9,067

Project Manager: Aaron Azevedo

azevedoa@scrra.net

Public Affairs Contact: Meredith Yeoman

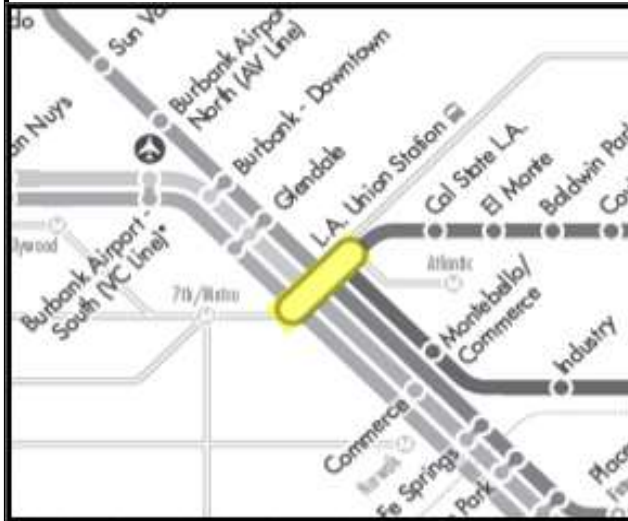
YeomanM@scrra.net

Subdivision: River

Asset Type: Track, Structures, & Signals

River Subdivision - Track, Structures & Signals

Map of Project:



Project Scope Summary:

- The Track, Structures and Signals SoGR program includes the rehabilitation and replacement of existing Metrolink-owned and maintained track, structures, signal systems, and grade crossing warning systems.

Project Benefit:

- Maintain State of Good Repair.
- Improve Service Reliability.
- Reduce Operating Cost.
- Reduce Train Accidents.

Project Status and Continuing Activities:

- 100% design for Arroyo Seco Bridge completed. Additional funding required to complete construction, included in FY27 Capital/Rehab request.
- FY24 Track Diamond replacement under review for 100% draft design, WD for construction issued in Feb 2026 with construction expected to be completed by May 2027.
- FY25 Track Rehab issued CTO for Design by Feb 2026. Work will include Rail Replacements and Crossing Rehab. Scheduled for Completion by Dec 2027.
- FY19 Cutovers for CP Capitol and CP Dayton delayed due to cancellation of Windows for World Cup, rescheduled to Fall.
- FY24 Signal Design CTO issued for CP Dayton. Design completion expected by Dec 2026 and a construction CTO to follow in early 2027.
- Issuance of the FY25 design CTO for Drainage Improvements and the Hydrology &Hydraulics study is scheduled for March 2026.

Schedule Summary

Milestone	Actual/[Forecast]	
	Start	End
Reprogrammed	Jul-23	Dec-24
FY2018-19	Jul-19	[Mar-26]
FY2020-21	Jul-21	Dec-24
FY2022-23	Oct-23	[Jun-27]
FY2023-24	May-24	[Jun-28]
FY2024-25	May-25	[Dec-27]

Budget Status (\$000s)

Project Category	Budget	Expend
2019	5,959	5,371
2021	2,384	2,360
2023	6,900	225
2024	4,000	413
2025	7,796	37
Reprogrammed	2,663	2,600
Total	29,703	11,006

Funding Sources (\$000s)

Federal	13,949
Local	15,754
Total	29,703

Project Notes of Interest:

- The Fiscal Year SoGR budget is approved on an annual basis by all the Member Agencies.

Project Risk:

- No risk items to report.

Safety:

- Arroyo Seco bridge in urgent need of funding to replace the bridge deck. Staff is monitoring condition of bridge and may need to implement speed restrictions to reduce load impact until Construction can be completed.

Project Manager: Aaron Azevedo
azevedoa@scrra.net

Public Affairs Contact: Meredith Yeoman
YeomanM@scrra.net

Bombardier Passenger Car Rebuild

Map of Project:



Project Scope Summary:

- The purpose of this midlife overhaul is to improve passenger comfort and safety, reliability, appearance and upgrade to current standards. The overhaul will replace and upgrade worn and marginal running gear, hardware, systems and components to extend the useful life of the cars. Fifty (50) Gen-1 cars are currently under contract - with (38) additional executed as option order 1.

Project Benefit:

- Maintain State of Good Repair
- Reduce Operating Cost
- Grow and Retain Ridership
- Increase Service Reliability

Project Status and Continuing Activities:

- 69 cars delivered
- 65 cars conditionally accepted and all are in service
- Base Order (50 cars) completed.

Project Notes of Interest:

- The current fleet of 121 Bombardier passenger rail cars consists of (88) Gen 1 cars, (7) Gen 2 cars and (26) Gen 3 cars with delivery dates of 1992, 1997 and 2002, respectively; none have undergone midlife overhaul.
- A contract with Talgo-Systra was executed June 28, 2019 for base order of 50 cars for \$64M.
- Option Order executed with \$30M of FY23 and \$35M of FY24 budget for additional 38 cars - total 88 cars.

Project Risk:

- Out of Scope Repair: increase in the cost due to repairs required to perform by out-of-scope works.

Safety:

- No safety items.

Schedule Summary

Milestone	Actual/[Forecast]	
	Start	End
Start of Project	Jan-18	
Procurement (Including Re-Bid)	Mar-18	Jun-19
Final Design/FAI Approval	Jun-19	Sep-21
Pilot Cars (1st & 2nd Car)		Sep-21
Delivery - 28th Car		Apr-24
Delivery - 50th Car		May-25
Closeout (CDRL & Cert of Comp)		[Dec-27]

Budget Status (\$000s)

Project Category	Budget	Expend
2018	40,684	39,566
2019	22,247	17,491
2023	30,000	29,075
2024	35,000	2,179
2025	26,460	84
Total	154,392	88,396

Federal	154,392
Total	154,392

Project Manager: Christian Velez

velezc@scrra.net

Public Affairs Contact: Meredith Yeoman

YeomanM@scrra.net

Communication Systems Rehabilitation

Map of Project:



Project Scope Summary:

- Train Control Systems Rehabilitation addresses major subcomponents to sufficiently rehabilitate aging infrastructure and growing backlog of Communication Systems. Annual rehab efforts include: WMS-upgrade, AC, battery, fiber, radio, audio and visual communication information systems rehabilitation.

Project Benefit:

- Maintain State of Good Repair
- Improve service reliability
- Reduce operating cost
- Reduce train accidents

Project Status and Continuing Activities:

- Systemwide Initiatives: Conversion of ATCS to CTC-ITCM across all subdivisions completed.

Schedule Summary		
Milestone	Actual/[Forecast]	
	Start	End
FY2019-20	Dec-19	Jun-24
FY2020-21	Jul-21	Jun-24
FY2021-22	Sep-22	[Dec-26]
FY2022-23	Apr-24	[Dec-26]
FY2023-24	Jul-24	[Jun-27]
FY2024-25	Jul-25	[Jun-27]

- Valley: Designs for VHF Radio Upgrade and CIS Upgrades at Sun Valley, Acton, Newhall, Sylmar, Burbank Downtown Station and Glendale Stations are all in-progress; Santa Clarita Station CIS Upgrade is completed. Punchlist is in progress.

- San Gabriel: Communication Fiber design from San Bernardino to Rancho Cucamonga Station and VHF Radio Upgrade Designs are underway. CTO issued for the work.

- Ventura: Construction of Phase I Fiber buildout from CP Colonia to CS Moorpark completed April 2024; Phase II Fiber Buildout from CS Moorpark to CP Las Posas is in-progress. The CIS Upgrade at Burbank Airport completed.

Budget Status (\$000s)		
Project Category	Budget	Expend
2020	1,386	1,361
2022	2,425	2,137
2023	1,166	960
2024	1,895	622
2025	2,470	270
Reprogrammed	950	950
Total	10,292	6,300

- River: Communication shelter Pole Rehab completed June 2024. Rehab for Power, Video systems scope development.

- Orange Line: Fiber Witness Post Rehab and Fiber Installation to Intermediates Ph I completed in Jun 2025 and Phase II is in progress.

- Perris Valley: Fiber Installation to Intermediates is in-progress, Estimated completion June 2026

Project Notes of Interest:

- Projects are funded on an annual basis by Member Agency per line/county.
- FY25 projects have been approved and ready for use.

Project Risk:

- Limited line-specific funding due to focus on systemwide projects, may delay completion of current initiatives.
- CIS Upgrades are needed at Stations that are not along adjacent Metrolink maintained track, along the 91 and Riverside Lines and on the LA portion of the Orange line. There is not an established funding mechanism for Annual Requests in these locations.

Safety:

- No known safety issues at this time.

Project Manager: DeAndre Conley

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Public Affairs Contact: Meredith Yeoman

YeomanM@scrra.net

On-Board Train Control Systems Rehabilitation

Map of Project:



Project Scope Summary:

- Systemwide On-Board Train Control Systems Rehabilitation addresses PTC, Centralized Train Control systems and equipment to sufficiently rehabilitate aging infrastructure and growing backlog, including Software and Hardware for locomotives and cab cars.

Project Benefit:

- Maintain State of Good Repair
- Improve service reliability
- Reduce operating cost
- Reduce train accidents

Project Status and Continuing Activities:

- Global Positioning System Upgrade: Work Directive against Stadler contract E761-25 to install GPS system on DMUs and ZEMU has been executed, work to be completed by end of March. Work Directive is in progress against Alstom contract MSOP158 to perform fleet wide installation. Upgrade process to take an
- TMC Upgrade: 132 out of 140 units have been upgraded. Estimate time of completion to upgrade remaining units is Dec 2026.
- Next Gen Data Radio: Procurement of new Data Radios pending Meteorcomm rollout plan.
- PTC Simulator Upgrades: We are conducting weekly meetings to monitor the vendor’s progress on the PTC simulator upgrades. The primary objective of these meetings is to ensure the vendor has all required documentation and technical information

Schedule Summary

Milestone	Actual/[Forecast]	
	Start	End
FY2020-21	Jul-21	[Mar-26]
FY2021-22	Sep-22	[Jun-26]
FY2022-23	Apr-24	[Jun-27]
FY2023-24	Jul-24	[Jun-28]
FY2024-25	Jul-26	[Jun-28]

Project Notes of Interest:

- An annual budget of \$2.5M is typically allotted for On-Board Train Control Systems Rehabilitation initiatives.
- FY23 Funding executed April 2024.
- FY24 Funding executed July 2024
- Current Initiatives: 1) Upgrade current simulators with modern graphics with updates rail projects ; 2) installing two new simulators to be located in the Pomona Campus.

Budget Status (\$000s)

Project Category	Budget	Expend
2021	2,300	2,299
2022	2,500	927
2023	2,500	111
2024	2,500	376
2025	2,364	1
Total	12,164	3,714

Project Risk:

- Procurement - potential delays to Hardware acquisition and shipping delays that are out of Metrolink control.

Safety:

- No known safety concerns at this time.

Funding Sources (\$000s)

Federal	6,386
Local	5,778
Total	12,164

Project Manager: Jairo Rodriguez
rodriguezj@scrra.net
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Back-Office Train Control Systems Rehabilitation

Map of Project:



Project Scope Summary:

- Addresses PTC, Centralized Train Control systems and equipment to sufficiently rehabilitate aging infrastructure and growing backlog; this includes upgrading and or replacing dispatching workstation equipment, Train Control software and hardware, and Back Office systems backup equipment. Testing enhanced field and office software (CAD, BOS, ITCM, etc.) in preparation of implementation into the production environment.

Project Benefit:

- Maintain State of Good Repair
- Increased reliability of train control network
- Increased safety and business continuity

Project Status and Continuing Activities:

- FY21 Back Office tasks complete and PM working on closing out final deliverables and project closeout beginning next qtr
- Continued design phase of production rehab. (Servers have been overdue for replacement)
- Ongoing change configuration management and back office PM support for rehab projects
- Continued support for rehab of train control back office with PTC Network Engineering Administrator
- Continuing to plan for FY2025 purchases and rehab of back office production equipment
- Field deployment of recent CTC over ITCM software for communications enhancements near completion

Project Notes of Interest:

- Back-Office PTC Rehabilitation funded annually by Member Agencies (all-share);
- Metrolink adhering to FRA regulations & industry interoperability requirements with partners;
- Annual funding required due to a phased rehab approach.

Project Risk:

- Internal staffing and manpower. Back office in need of additional dedicated resources. Currently relying on consultants.

Safety:

- Minimize risk of train control and revenue service interruption
- Reduced probability of train control equipment and hardware failure and service interruption.
- Software upgrades with safety enhancement features.

Schedule Summary		
Milestone	Actual/[Forecast]	
	Start	End
FY2018-19	Apr-19	Dec-24
FY2020-21	Jul-21	[Oct-25]
FY2021-22	Dec-22	[Jun-26]
FY2022-23	Mar-24	[Jun-27]
FY2023-24	Jul-24	[Jun-28]
FY2024-25	Jul-24	[Dec-28]

Budget Status (\$000s)		
Project Category	Budget	Expend
2022	2,500	1,165
2023	2,500	630
2024	2,500	15
2025	2,833	1
Total	10,333	1,812

Funding Sources (\$000s)	
Federal	5,425
Local	4,908
Total	10,333

Project Manager: Sasank Kuditipudi
kuditipudis@scrra.net
Public Affairs Contact: Meredith Yeoman
YeomanM@scrra.net

Rolling Stock State of Good Repair

Map of Project:



Project Scope Summary:

- The Rolling Stock State of Good Repair program includes annual allotments for the rehabilitation and replacement of existing Rolling Stock Equipment and its components.

Project Benefit:

- Maintain State of Good Repair
- Increase system utilization
- Improve service reliability
- Reduce operating cost

Project Status and Continuing Activities:

- Rotem HVAC Overhaul: 144 of 184 HVAC units overhauled; 57 of 92 control panels overhauled.
- Bombardier HVAC Overhaul: Initial order of 180 units overhauled; Additional order of 87 HVAC's to be overhauled has been placed and 47 of 87 units overhauled
- Rotem Emergency Window Gasket Replacement: NTP issued - work in progress.
- Cab Car DVR & Camera Replacement: Board approved Feb. 2026, awaiting NTP. Expected completion Dec. 2027
- Rotem Door Overhaul: 1) End-Door System Replacement - 122/137 cars completed; 2) Data Logger - SOW to be included in HR railcar overhaul.
- Passenger Seat Enhancement - Base order deliveries completed
- Oxnard Accident & OOS Railcar Rehab - procurement in progress.
- MP36 Locomotive Overhaul & Repair - procurement in progress. NTP - targeting end of March. 2026

Schedule Summary

Milestone	Actual/[Forecast]	
	Start	End
FY2018-19	Apr-19	[Dec-26]
FY2019-20	Apr-20	[Jul-26]
FY2020-21	Sep-21	[Oct-27]
FY2021-22	Dec-22	[Jun-27]
FY2022-23	Mar-24	[Dec-30]
FY2023-24	Jul-24	[Jun-31]
FY2024-25	Aug-25	Aug-28

Budget Status (\$000s)

Project Category	Budget	Expend
2019	6,226	2,033
2020	3,400	2,843
2021	11,291	6,658
2022	2,200	1,280
2023	16,608	919
2024	15,385	1,628
2025	47,003	133
Reprogrammed	11,958	32
Total	114,072	15,525

Funding Sources (\$000s)

Federal	41,506
State	11,081
*Local	61,484
Total	114,071

Project Notes of Interest:

- Program consists of rolling, multi-year fundings, with combination of multi-year, continuation of projects (HVAC Overhauls) and some single-year funded projects.
- An additional \$11.6M was approved for FY23, which will be added to Dashboard following execution of FTA Grants.

Project Risk:

- Unsuccessful IFBs across multiple projects have continued to slow project progress.

Safety:

- No safety items.

Project Manager: Neil Brown

browna@scrra.net

Public Affairs Contact: Meredith Yeoman

YeomanM@scrra.net

Track Maintenance

Map of Project:



Project Scope Summary:

- Systemwide Track Preventative Maintenance addresses recurring requirements to sufficiently maintain aging rail and track infrastructure. Rail Grinding prolongs the life of rail and minimize defects. Production Track Surfacing restores track profiles and cross sections. Orange Track Work rehabilitates infrastructure impacted by weather.

Project Benefit:

- Maintain State of Good Repair
- Improve service reliability
- Reduce operating cost
- Reduce train accidents

Project Status and Continuing Activities:

- Rail Grinding: 6-days rail grinding completed Dec 2024 (Valley and Ventura Subdivisions). Next grinding: Mar 2026. Track surfacing continues systemwide.
- Utilized a vacuum truck to clean ballast within tunnels and clear sediment from culverts
- Preparing response to CA Commission comments on North Beach repair

Project Notes of Interest:

- Rail Surfacing was incorporated into the annual SOGR request with Systemwide Rail Grinding beginning in FY2020-2021.
- Track rehabilitation is identified by the Metrolink Rehabilitation Plan (MRP) and aligns with the combined track & signals maintenance RFP scope and implementation. Rail Grinding and surfacing addresses "rolling contact fatigue" (RCF) resulting in rail life savings. This work also addresses noise concerns and positively impacts ride quality.

Project Risk:

- If the program is not implemented in full, the remaining work that is beyond the rehabilitation limits will be added to the backlog in future years. Per FRA CFR 213 standards slow orders may be required if the project is not completed and may result in delays to passenger service.

Safety:

- No issues to report.

Schedule Summary

Milestone	Actual/[Forecast]	
	Start	End
FY2018-19 - Systemwide	Apr-19	Jan-22
FY2019-20 - Systemwide	Mar-20	Dec-22
FY2020-21 - Systemwide	Jul-21	Jun-23
FY2020-21 - Orange	Sep-21	Jun-25
FY2021-22 - Systemwide	Dec-21	[Dec-26]
FY2022-23 - Systemwide	Mar-24	[Dec-27]
FY2023-24 - Systemwide	Jul-24	[Dec-28]
FY2024-25 - Systemwide	Jul-25	[Dec-29]

Budget Status (\$000s)

Project Category	Budget	Expend
2022	3,500	3,381
2023	3,500	3,219
2024	3,500	2,744
2025	7,311	8
Total	17,811	9,352

Funding Sources (\$000s)

Federal	8,690
Local	9,121
Total	17,811

Project Manager: Fia AhSue

ausuef@scrra.net

Public Affairs Contact: Meredith Yeoman

YeomanM@scrra.net

Line(s): Systemwide

Asset Type: Multiple

Southern California Optimized Rail Expansion (SCORE) Phase 1 - SCRRRA Implemented Projects

Map of Project:



Project Scope Summary:

Implement rail infrastructure necessary to support expanded commuter rail passenger services, consisting of 30 minute peak hour peak direction service on the Ventura, San Bernardino, Orange County, and Antelope Valley Lines.

Project Benefit:

- Increased capacity and service
- Grow and retain ridership
- Operational flexibility

Project Status and Continuing Activities:

- Requested supplemental funding allocation from CTC to complete Camera Ready design for the El Monte Siding Project.
- Continuing negotiations with the City of El Monte on the Purchase & Sale Agreement on the El Monte Siding project.
- Received construction funding allocation for the Marengo Siding and Rancho Cucamonga projects
- IFB for the San Gabriel Sub projects (Marengo Siding and Rancho Cucamonga Siding) is out for bid

- Received supplemental funding allocation from CTC to complete condemnation for the Chatsworth Pedestrian Underpass Project

- Negotiations with Union Pacific over the fiber relocation issue continue for Simi Valley Double Track Project

Project Notes of Interest:

- SCORE Phase 1 - approximately \$2.4 billion in secured funding to date for infrastructure projects consisting of additions or improvements to track, signals, stations, and maintenance facilities.

- \$107M TIRCP 2020 award for the Antelope Valley Line Capacity and Service Improvements Program.
- \$107M TIRCP Supplemental 2023 Cycle 6 awarded for funding shortfalls for Simi Valley, El Monte, and BNSF Fullerton-Esperanza.

- \$30 million CRISI award funds the construction of a 4.8-mile third mainline track between CP Atwood and CP Esperanza on the BNSF San Bernardino Subdivision.

- \$19.77M TIRCP grant awarded for construction of the Rail Yard Rehabilitation and Modernization (RYRM) portion of LinkUS Project.

- \$44.8M TIRCP 2024 award for the Eastern Maintenance Facility (EMF) Development

- AVL Capacity Improvements was transitioned from Metro to Metrolink to lead Final Design and Construction; OCMF currently led by OCTA will be transitioned to Metrolink to lead Final Design and Construction upon completion of environmental phase.

Project Risk:

- **Construction Cost Increase/Risks** - Design on major construction projects is substantially complete. There is anticipated higher than expected costs due increased material costs, increase cost for ROW acquisitions, utility relocation and overall inflation. Multiple projects are underfunded and there is a risk of delay until the funding gap is closed.

- **Timing of CTC Allocations and Delay in Receiving Program Supplements** - Identify timeframe to request allocations to avoid schedule delays or work stoppage due to cash flow issues; make direct contact with CTC staff. Ensure that draft Program Supplements are provided to SCRRRA within 2 weeks of the CTC allocation approval.

- **ROW Acquisitions** - Prioritize/phase ROW parcel acquisition based on critical path and establish workflow. Regularly inform member agencies and Caltrans of work progress towards ROW Certification. Manage ROW tracking matrix regularly and address open items.

- **Utility Coordination and Relocation** - A utility tracking matrix has been established to manage coordination efforts and progress; ongoing discussion with utility owners on funding agreements and relocation design.

Safety:

- No issues to report

Schedule:

- There is a risk for delayed construction start of the Simi Valley project due to agreement negotiations with Union Pacific Railroad on fiber relocation

Program Manager

Maria Leible

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Public Affairs Contact

Kevin Alvarado

AlvaradoK@scrra.net

Schedule Summary*

Milestone	Actual / [Forecast]	
	Start	End **
Start of Project (Phase 1)	Aug-18	
Design (5%/30%/60%/Final)	Sep-18	[Jan-27]
Environmental	Oct-18	Apr-24
ROW Agreements / Acquisition	Mar-20	[Apr-27]
Advertise - Award	Aug-19	[Oct-27]
Construction - Early Construction***	Jan-20	Nov-23
Construction	Feb-21	[Jun-29]
Closeout		[Jun-30]

*Based on 6/30/24 Master Schedule Rebaseline

**Serra Siding is in the environmental phase for an extended period and is not included in the schedule. Dates capture the addition of new projects (AVL, Sequoia, Cogswell) and have caused overall completion dates to shift.

***OC Interim Setout Track work and Signal Projects

Budget Status (\$000s)

Project Category	Budget ⁽¹⁾	Expend
Design/Design Support	75,045	38,625
Materials	2,255	263
Construction	299,693	22,380
Maintenance	4,439	456
Third Party (RR Work Order)	183,376	116
Prof. Services (CM, PM, Oth)	137,480	39,824
MIS	101	101
Rolling Stock	7,700	0
Agency	71,922	22,094
Project Reserve	79,615	-
Total	861,626	123,859

(1) Budgets have not been fully developed. Unallocated budgets are shown under Project Reserve. Budgets for the Rail Car Rebuild and RYRM projects are excluded.

Funding Sources (\$000s)

Federal ⁽²⁾	\$81,527
State ⁽³⁾	\$688,368
Local ⁽⁴⁾	\$91,731
Other	\$0
Total⁽⁵⁾	\$861,626

(2) FRA-SGR, FHWA CARSI, CRISI Grants

(3) TIRCP, AHSC, STA Grants

(4) LACMTA (Measure M, Measure R), City of Simi Valley

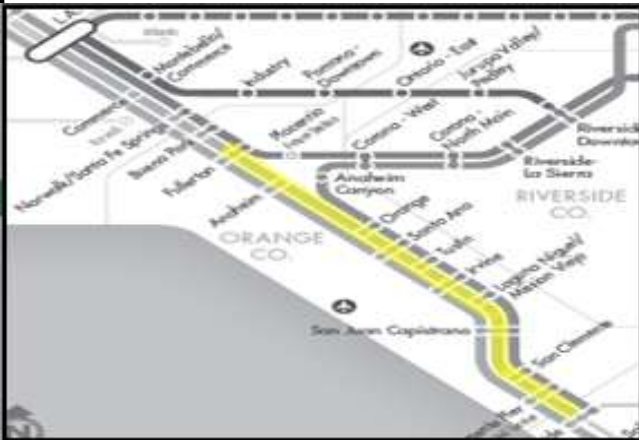
(5) The funding shown does not include funds allocated directly to member agencies. SCRRRA support for these projects will be added once agreements are finalized

Subdivision: Orange County Line

Asset Type: Track, Structures, & Signals

San Juan Creek Bridge

Map of Project:



Project Scope Summary:

- Construction of replacement for the existing 300-ft span thru-plate girder San Juan Creek Bridge built circa 1900 at MP 197.9 in the City of San Juan Capistrano on the LOSSAN rail corridor. The LOSSAN rail corridor serves Metrolink commuter trains (operated by SCRRRA), Amtrak intercity trains, and BNSF Railway freight trains and is identified as the second most heavily traveled intercity passenger rail corridor in the nation. The new bridge is a three-span 350-foot TPG bridge adjacent to the existing bridge to minimize impact to rail traffic and reduce construction complication and costs.

Project Benefit:

- Increase safety and prevent delays to customers
- Avoid interruption of freight train service
- Increase load capacity of the superstructure to meet high-wide heavy requirements and agreements with Freight partners

Project Status and Continuing Activities:

- Went to board in Feb 2026, to add contingency to Flatiron's Contract to issue a Change order for the Sheet Pile wall installation that OCPW is requesting in their R/W.
- Finalizing permit for final dry season, working with OCPW to install additional Sheet Piles in their R/W as part of project. Project on schedule.
- Final track punchlist items scheduled for March 2026.

Schedule Summary

Milestone	Actual/[Forecast]	
	Start	End
Environmental Approval	Apr-19	Jan-20
Design (SCRRRA Lead)	Dec-15	May-20
ROW Acquisition (OCTA Lead)	Dec-22	May-23
Construction Bid & Award (SCRRRA)	Jul-23	Dec-23
Construction (SCRRRA)	Dec-23	[Jun-26]
Closeout	[Jul-26]	[Dec-26]

Project Notes of Interest:

- Design was completed under separate rehabilitation project (516621); remaining funds from that project will be transfer to capital project.
- Construction funding secured under a Co-op Agreement between SCRRRA and OCTA.
- The LOSSAN rail corridor serves Metrolink commuter trains (operated by SCRRRA), Amtrak intercity trains, and BNSF Railway freight trains and is identified as the second most heavily traveled intercity passenger rail corridor in the nation.

Budget Status (\$000s)

Project Category	Budget	Expend
Design and Design Support	1,457	1,081
Materials	1,951	-
Construction (Incl. Flagging)	44,958	37,277
Maintenance	2,436	2,420
Prof. Services (CM, PM, Other)	7,285	3,841
Agency	930	391
Project Reserve	667	-
Total	59,684	45,009

Project Risk:

- Schedule Delays: Activities in the river can only be performed during Dry Season per Environmental clearance.

Funding Sources (\$000s)

Federal	37,106
State	22,578
Total	59,684

Safety:

- None so far.

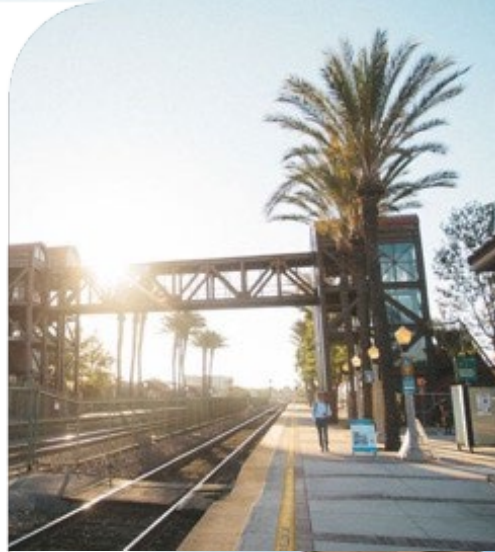
Project Manager: Aaron Azevedo
azevedoa@scrra.net

Public Affairs Contact: Meredith Yeoman
YeomanM@scrra.net

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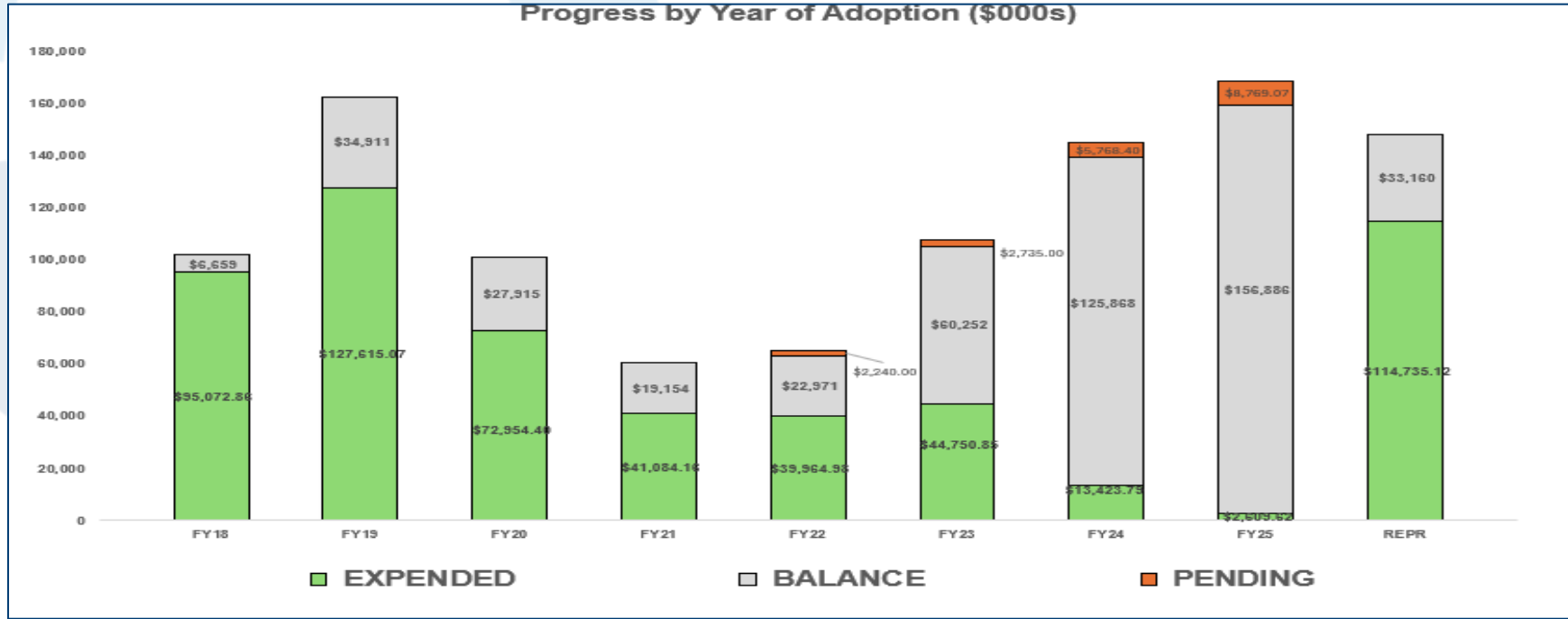
FY26 Q2 Capital Program Status Report

Receive and file.



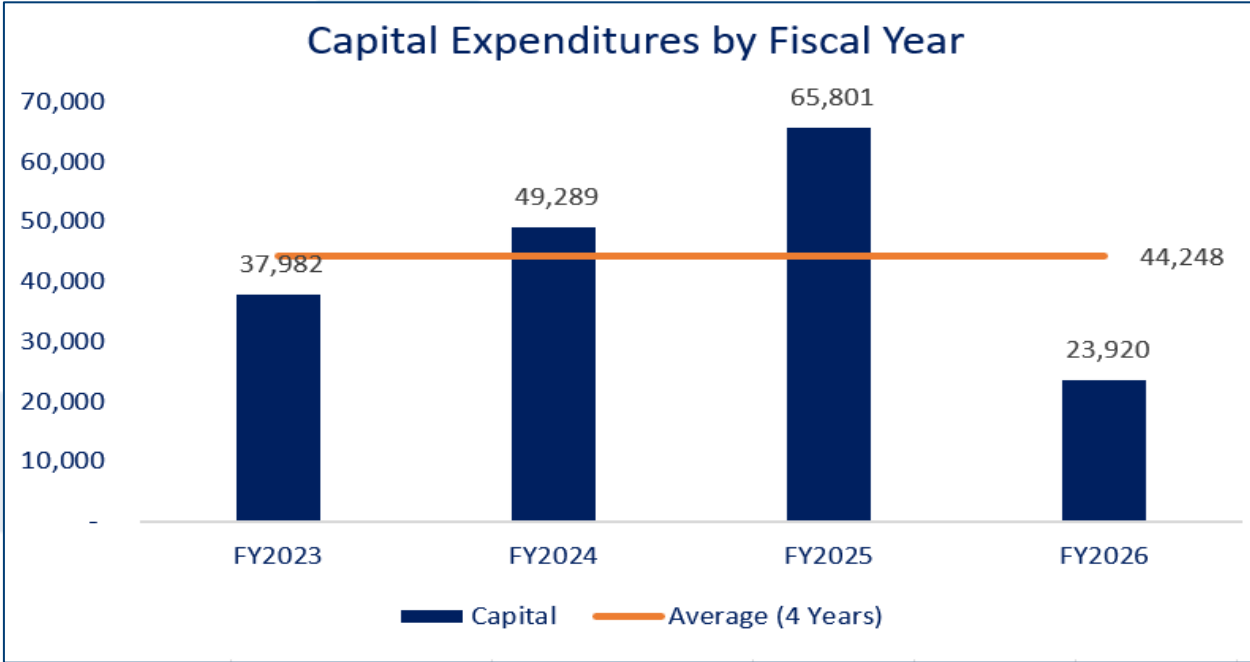
Capital Program Status Overview

- \$1.04B allocated from FY18 thru FY25 as part of annual capital budgets
- \$552M expended thru December 31, 2025



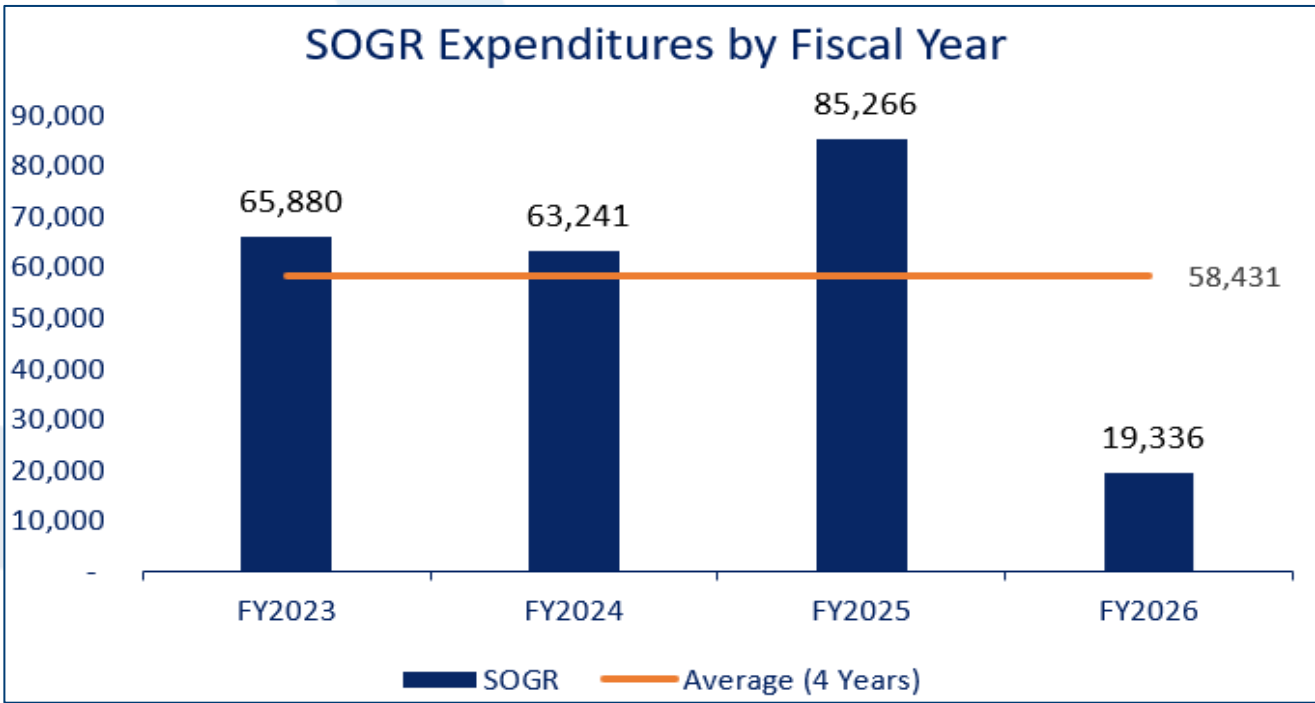
Capital Program Status-New Capital & SCORE

- Budget for New Capital Program is \$1.27B; of which \$442M is spent across 156 active projects.
- This includes 102 projects part of the SCORE program.



Capital Program Status-State of Good Repair

State of Good Repair Budget is \$642M out of which \$252M is spent across 204 active projects



Progress Pictures – San Juan Creek Bridge



Abutment 4 demo and grading for temporary shoring
– San Juan Creek Bridge Project



Dressing ballast on the north side of main track –
San Juan Creek Bridge Project



METROLINK

Thank you.



ITEM ID: 2026-186-0

TRANSMITTAL DATE: April 17, 1016

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: April Legislative Update

Issue

Staff provides a regular monthly update on current legislative affairs.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Connecting and Leveraging Partnerships:** We will forge new and enhanced relationships with our public and private partners to integrate and coordinate connecting services, providing residents throughout Southern California with better, seamless, sustainable alternatives to driving. This commitment is met by sharing news, information and the Authority’s legislative priorities with elected officials.
- **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. This commitment is met by encouraging federal, state and local support for Authority priorities.

Background

Staff continues to engage with community, local, state, and federal stakeholders concerning Metrolink service and relevant policy initiatives.

Discussion

State

Update on Bills and Legislative Session

On April 6, the Legislature reconvened from Spring Recess. In the weeks ahead, the Legislature will continue to hold policy committee and budget subcommittee hearings. April 24, 2026, is the last day for policy committees to hear and report to fiscal committees any fiscal bills introduced in their house; and May 1, 2026, is the last day for policy committees to hear and report to the Floor non-fiscal bills introduced in their house.

Updates on key bills staff is tracking are noted below, with a full list included in Appendix A:

AB 1855 (J. Gonzalez) Passenger rail CEQA exemptions - Support

This bill would remove the requirement that rail projects be exclusively used by zero-emission locomotives, or Tier 4 or cleaner locomotives, to qualify for a CEQA exemption, and clarifies that the mainline rail for a project must be located entirely within an existing rail or highway rail right-of-way, enabling coverage of other infrastructure necessary for service. Metrolink submitted a letter in support of this bill since it builds on existing CEQA exemptions by streamlining passenger rail project delivery and reducing cost while maintaining appropriate mitigation for construction impacts. The bill will apply to expanded rail service such the Perris to Hemet and San Jacinto rail extension being planned by Metrolink's member agency, Riverside County Transportation Commission, for future passenger rail service. Additionally, other capital projects in the future likely will benefit should this CEQA exemption expansion be enacted. As of February 23, the bill has been referred to Assembly Natural Resources Committee.

SB 1136 (Blakespear) Intercity rail and commuter rail: special events service plans: fare system integration

As of April 6, this bill has been amended to require a regional rail operator operating within an intercity rail corridor to ensure that its fare systems are fully integrated with the intercity rail operator and other regional rail operators in the corridor. This bill would require an interagency transfer agreement to require a joint powers board to ensure that service planning is provided for special events, commencing with the 2027-28 fiscal year. The bill does not mandate additional service for special events beyond what is feasible. With the latest amendments, a requirement for a public agency responsible for commuter rail services to adopt a special events service plan in order to access State Rail Assistance funds was removed from the bill. Metrolink remains engaged with the author's office, its rail operator partners throughout the state, and the California Transit Association, working with the author to address issues with the bill as it moves forward. The bill is scheduled to be heard on April 14, Senate Transportation Committee.

SB 1411 (Stern) Greenhouse Gas Reduction Fund: funding conditions: high-speed rail – Support

This bill would authorize the CA High-Speed Rail Authority to enter into new funding

commitments outside of the Merced-to-Bakersfield segment in any amount for additional activities that maximize the efficiency of delivering the project. Currently there is a prohibition in state law that restricts the project from spending more than \$500 million on activities outside its Merced-to-Bakersfield segment until June 2030. Metrolink submitted a support letter for this bill since increased flexibility in investment in Southern California is essential to ensuring that projects are implemented in a manner that improves coordination and accelerates delivery timelines. The bill is set for hearing on April 14 in the Senate Transportation Committee.

Federal

President Trump Releases FY27 Budget Proposal

On April 3, 2026, President Donald Trump released his FY 2027 Budget request. The President's budget requests \$114.1 billion in budgetary resources for the U.S. Department of Transportation (DOT), which includes \$26.6 billion in discretionary budget authority for a \$1.6 billion (6.2%) increase over FY2026 enacted levels. However, the bulk of new funding is directed to highways and air traffic control. Transit and rail programs would be reduced to \$16.3 billion (23% decrease) for public transit and \$2.8 billion (82% decrease) for passenger rail in FY27.

The President's budget does not seek to continue advance appropriations under the Infrastructure Investment and Jobs Act (IIJA), which results in substantial cuts to key public transit and passenger rail investments. The budget eliminates all funding for Federal-State Partnership for Intercity Passenger Rail grants and significantly reduces funding for other grant programs. Additionally, the budget request does not include any U.S. Department of Transportation (DOT) surface transportation authorization funding or policy proposals. The budget does not include 2028 Olympic and Paralympic Games funding. The President's budget outlines the Administration's policy and funding priorities, but Congress ultimately must pass the 12 annual appropriation bills for the next fiscal year.

American Public Transportation Association Legislative Conference in Washington DC

Chief Strategy Officer Paul Hubler, Government & Community Relations Director Jeffrey Dunn, and Management Analyst II Julie Nieto attended the American Public Transportation Association's Spring Legislative Conference in Washington D.C. The conference is an opportunity for public transportation industry professionals across the nation to advocate for full public transit and commuter rail funding and hear from speakers on important federal legislation and policy initiatives. In addition to attending APTA programming, staff meet with members of the Metrolink federal delegation. Meetings focused on 2028 Olympic and Paralympic Games security, capital and operations needs. Staff also thanked offices for their consideration of Community Project Funding /Congressional Directed Spending applications submitted in March. Metrolink staff submitted 11 appropriations requests for FY27 totaling approximately \$30 million.

Prepared by: Jeffrey Dunn, Director, Government and Community Relations
Julie Nieto, Management Analyst II
Senator Zavala, Government Relations Grad on Career Track

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

Appendix A - April 2026 Bill Matrix
Presentation - April Legislative Update

Appendix A: Bill Matrix

Bill Number	Bill Status	Action
State		
CA Assembly		
<p>AB 35 (Alvarez): Would provide for limited CEQA review of an application for a discretionary permit or authorization for a clean hydrogen transportation project by requiring the application to be reviewed through a clean hydrogen environmental assessment and would require the lead agency to determine whether to approve the clean hydrogen environmental assessment and issue a discretionary permit or authorization for the project no later than 270 days after the application for the project is deemed complete.</p>	<p>1/27/26: In Senate. Read first time. To Committee on rules. for assignment.</p>	<p>Monitor</p>
<p>AB 259 (Rubio): Would extend a sunset by four years to 2030 on a Brown Act provision that allows local government board members to remotely participate in meetings under certain, limited conditions.</p>	<p>6/27/25: In committee: Hearing postponed by committee.</p>	<p>Monitor</p>
<p>AB 810 (Irwin): Would expand on existing law to require special districts, joint powers authorities, or other political subdivisions to maintain an internet website with a “.gov” or “.ca.gov” domain. Special districts, joint powers authorities, or other political subdivisions would have no later than January 1, 2031. The bill allows community colleges and community college districts to continue using “.edu” domains and exempts K–12 school districts.</p>	<p>2/2/26: From committee: Filed with the Chief Clerk pursuant to Joint Rule 56</p>	<p>Monitor</p>

<p>AB 939 (Schultz): Would enact the Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$20,000,000,000 pursuant to the State General Obligation Bond Law to finance transit and passenger rail improvements, local streets and roads and active transportation projects, zero-emission vehicle investments, transportation freight infrastructure improvements, and grade separations and other critical safety improvements. The bill would provide for the submission of the bond act to the voters at the November 3, 2026, statewide general election.</p>	<p>1/29/26: In Senate. Read first time. Ordered to Committee on rules for assignment.</p>	<p>Monitor</p>
<p>AB 1070 (Ward): Would prohibit a transit district from compensating a member of the governing board unless the member demonstrates personal use of the transit system, as specified. The bill would require the governing board of a transit district to include 2 nonvoting members and 4 alternate nonvoting members, as specified. The bill would authorize the chair of the governing board of a transit district to exclude these nonvoting members from meetings discussing negotiations with labor organizations.</p>	<p>1/27/26: In Senate. Read first time. Committee on rules for assignment.</p>	<p>Monitor</p>
<p>AB 1237 (McKinnor): Authorizes the Los Angeles County Transportation Authority (LA Metro) and Santa Clara Valley Transportation Authority (VTA) to impose a charge of up to \$5 on the purchaser of a ticket from a ticket vendor to a sporting event in the counties of Los Angeles or Santa Clara for the 2026 FIFA World Cup and the 2026 National Collegiate Athletic Association (NCAA) Men's or Women's Basketball Championship.</p>	<p>6/2/25: Re-referred to Committee on Business, Professions & Economic Development and Committee on Transportation.</p>	<p>Monitor</p>

<p>AB 1421 (Wilson): Existing law requires the Chair of the California Transportation Commission to create a Road Usage Charge Technical Advisory Committee in consultation with the Secretary of Transportation to guide the development and evaluation of a pilot program assessing the potential for mileage-based revenue collection as an alternative to the gas tax system. Existing law additionally requires the Transportation Agency, in consultation with the commission, to implement the pilot program, as specified. Existing law repeals these provisions on January 1, 2027. This bill would extend the operation of the above-described provisions until January 1, 2035. The bill would also make related findings and declaration.</p>	<p>1/29/26: In Senate. Read first time. To Committee on Rules for assignment.</p>	<p>Monitor</p>
<p>AB 1855 (J. Gonzalez): CEQA, until January 1, 2040, exempts from its requirements certain projects for the improvement, institution, or increase of passenger rail service, including the maintenance, construction, or rehabilitation of stations, terminals, or existing operations facilities, which will be exclusively used by zero-emission trains or certified Tier 4 or cleaner rolling stock or locomotives. This bill would instead eliminate the condition that the public project be exclusively used by zero-emission trains or certified Tier 4 or cleaner rolling stock or locomotives, thereby expanding the scope of the exemption. The bill would require, for purposes of the exemption, the mainline rail of the project, instead of the whole project, to be located entirely within an existing right-of-way or existing highway right-of-way.</p>	<p>2/23/26: Referred to the committee on Natural Resources.</p>	<p>Support</p>

<p>AB 2415 (Hoover): Transit-oriented housing developments: alternative plans. Existing law prescribes requirements for these plans, including requiring that the plan not reduce the capacity in any transit-oriented development zone in total units or residential floor area by more than 50%. Existing law defines various terms for these purposes. This bill would provide that a transit-oriented development alternative plan may reduce the capacity in up to one transit-oriented development zone in total units or residential floor area by more than 50% if certain requirements are met.</p>	<p>3/23/26: Re-referred to the Committee on Housing and Community Development.</p>	<p>Monitor</p>
<p>AB 2576 (Harabedian): Transit-oriented development. Existing law specifies that, beginning on January 1, 2027, a local government that denies a housing development project meeting the requirements referenced above that is located in a high-resource area is presumed to be in violation of specified law and immediately liable for specified penalties. This bill would delay each of those dates, and certain related dates, by one year. The bill would also increase the population threshold for certain requirements to apply to cities, as described above, from 35,000 to 40,000.</p>	<p>3/23/26: Re-referred to the Committee on Housing and Community Development.</p>	<p>Monitor</p>
<p>CA Senate</p>		
<p>SB 220 (Allen): Would expand the Los Angeles County Metropolitan Transportation Authority Board of Directors to 18 members, from the current 14 members, by adding the County Executive of the County of Los Angeles and three public members appointed by the County Executive.</p>	<p>2/2/26: Returned to Secretary of Senate pursuant to Joint Rule 62(a).</p>	<p>Monitor</p>
<p>SB 445 (Wilson): This bill would enact the Sustainable Transportation Project Delivery Reform Act. The bill would authorize the secretary to grant a waiver to a local agency, as defined, that is seeking to design and construct a sustainable transportation project, as</p>	<p>8/29/25: August 29 hearing: Held in committee and under submission.</p>	<p>Monitor</p>

<p>defined, from any standards, criteria, specifications, requirements, or other conditions of a third party, as defined, applicable to the sustainable transportation project if the secretary determines that granting the waiver will assist the local agency in delivering the sustainable transportation project in a cost-efficient and timely manner.</p>		
<p>SB 545 (Cortese): Would commission a study on the extraordinary commercial and residential economic development opportunities along the California High Speed Rail corridor focusing on increased land value, development incentives and public-private partnerships from Los Angeles to San Francisco.</p>	<p>8/29/25: August 29 hearing: Held in committee and under submission.</p>	<p>Monitor</p>
<p>SB 667 (Archuleta): Would require a railroad to operate a network of wayside detector systems on or adjacent to its tracks, limit the total length of trains originating in California, and require that stationary trains blocking at-grade railroad crossings be cut, separated, or moved to allow passage of emergency vehicles. If a freight train is operating on a track between wayside detector systems that do not comply with the spacing requirements of subdivision, then it shall not travel faster than 10 miles per hour and may only travel faster than 10 miles per hour after it passes a wayside detector system that is in compliance with the spacing requirements of subdivision and has received a message from the wayside detector system indicating that there are no defects.</p>	<p>1/27/26: In Assembly. Read first time. Held at Desk.</p>	<p>Oppose</p>
<p>SB 677 (Wiener): This bill would revise the definition of “high-frequency commuter rail” to instead mean a public commuter or intercity rail station with a total of at least 48 passenger trains on average per weekday across all directions, not including temporary service changes of less than one month or unplanned disruptions, and not meeting the standard</p>	<p>1/26/26: In Assembly. Read first time. Held at Desk.</p>	<p>Monitor</p>

<p>for very high frequency commuter rail, at any point in the past three years. By increasing the duties of local officials, and by expanding the crime of perjury, this bill would impose a state-mandated local program.</p>		
<p>SB 722 (Wahab and Wiener): Transit-oriented housing development: excluded parcels and sites. This act shall be known, and may be cited, as the Mobile Home Park Protection Act. Existing law requires that a housing development project, as defined, within a specified distance of a transit-oriented development stop, as defined, be an allowed use as a transit-oriented housing development on any site zoned for residential, mixed, or commercial development, if the development complies with certain, applicable requirements, as provided. This bill would additionally prohibit the development from being located on an existing parcel of land or site governed under the Mobilehome Residency Law, the Recreational Vehicle Park Occupancy Law, the Mobilehome Parks Act, or the Special Occupancy Parks Act.</p>	<p>1/26/26: In Assembly. Read first time. Held at Desk.</p>	<p>Monitor</p>
<p>SB 741 (Blakespear): Would expand the exemption from certain coastal development permitting processes for certain emergency projects undertaken, carried out, or approved by a public agency to maintain, repair, or restore existing highways to include certain emergency projects undertaken, carried out, or approved by a public agency to maintain, repair, or restore an existing railroad track along the LOSSAN corridor.</p>	<p>7/3/25: July 7 set for first hearing canceled at the request of author.</p>	<p>Monitor</p>

<p>SB 908 (Wiener): This bill would state the intent of the Legislature to enact subsequent legislation that would make technical and clarifying changes to those laws governing transit-oriented development, and to add a select set of San Francisco Bay area ferry terminals to the scope of those provisions.</p>	<p>3/23/26: From committee with authors amendments. Read second time and amended. Re-referred to Committee on Rules.</p>	<p>Monitor</p>
<p>SB 935 (Choi): Existing law authorizes a local agency, as defined, with approval of its governing body, to procure design-build contracts for public works projects in excess of \$1,000,000, awarding the contract either to the lowest bid or the best value. Existing law, among other requirements for the design-build procurement process, requires specified information submitted by a design-build entity to be certified under penalty of perjury. These provisions authorizing local agencies to use the design-build procurement process are repealed on January 1, 2031. This bill would repeal the above-described January 1, 2031, repeal date, thereby extending the operation of these provisions indefinitely.</p>	<p>3/27/26: Set for hearing April 13.</p>	<p>Monitor</p>
<p>SB 1008 (Ochoa Bough): California Environmental Quality Act: exemption: railroad grade crossing closure.</p>	<p>4/2/26: From committee: Set for hearing April 13.</p>	<p>Monitor</p>
<p>SB 1136 (Blakespear): This bill require, on or before July 1, 2027, a regional rail operator, as defined, operating within an intercity rail corridor to ensure that its fare systems are fully integrated with the fare systems of the intercity rail operator, and any other regional rail operator, operating in the intercity rail corridor. This bill would require an interagency transfer agreement to require a joint powers board to ensure that service planning is provided for</p>	<p>4/6/26: From committee with author's amendments. Read second time and amended. Re-referred to Com. on TRANS.</p>	<p>Monitor</p>

special events, commencing with the 2027-28 fiscal year.		
SB 1256 (Jones): California Environmental Quality Act: exemption for closure of railroad grade crossing	3/4/26: Referred to Committees on Environmental Quality and Energy, Utilities and Communications.	Monitor
SB 1324 (Blakespear): Passenger and freight rail: LOSSAN Rail Corridor: working group report. This bill would extend the deadline for a report created in SB 1098 (Blakespear), which requires the Secretary of Transportation to convene a working group composed of representatives of certain types of entities, including, among others, metropolitan planning organizations from specified counties. The bill would require the working group to submit consensus recommendations and feedback in a report to the Legislature on or before February 1, 2027, on various topics relating to rail service in the LOSSAN Rail Corridor.	3/23/26: From committee with author's amendments. Read second time and amended. Re-referred to Committee on Rules.	Monitor
SB 1411 (Stern): Greenhouse Gas Reduction Fund: funding conditions: high-speed rail. This bill would authorize the authority to enter into new funding commitments with the moneys (collected by the State Air Resources Board from the auction or sale of certain allowances as part of a market-based compliance mechanism to be deposited into the Greenhouse Gas Reduction Fund) outside of the Merced to Bakersfield segment in any amount for additional activities that maximize the efficiency of delivering the project, as specified. By expanding the purposes for which continuously appropriated moneys may be used, the bill would make an appropriation.	4/2/26: Set for hearing April 14.	Support
Federal		
U.S. House of Representatives		

H.R.928 (Deluzio): Railway Safety Act of 2025 - To enhance safety requirements for trains transporting hazardous materials, and for other purposes.	2/4/2025: Referred to the Subcommittee on Railroads, Pipelines, and Hazardous Materials	Monitor
H.R.2853 (Joyce): Combating Organized Retail Crime Act. To combat organized crime involving the illegal acquisition of retail goods and cargo for the purpose of selling those illegally obtained goods through physical and online retail marketplaces.	1/30/26: Placed on the Union Calendar, Calendar No. 402	Support
H.R.3194 (Moolenaar): Amend the Clean Air Act to prohibit State standards relating to the control of emissions from existing locomotives and engines used in locomotives, and for other purposes	5/5/25: Referred to the House Committee on Energy and Commerce.	Monitor
H.R.3449 (Johnson): Stronger Communities through Better Transit Act. Amend title 49, United States Code, to establish a program to provide grants to eligible recipients for eligible operating support costs of public transportation, and for other purposes.	5/16/25: Referred to the House Committee on Transportation and Infrastructure.	Monitor
H.R.3647 (Mullin): Safe Cross Act, Study.—Not later than 1 year after the date of enactment of this Act, the Administrator of the Federal Railroad Administration, acting through the Associate Administrator for Railroad Safety, shall conduct a study to identify any potential benefits and challenges of implementing and using sensors enabled with artificial intelligence at rail crossings as a safety measure to reduce pedestrian and traffic accidents.	5/30/25: Referred to the Subcommittee on Railroads, Pipelines, and Hazardous Materials	Monitor
H.R.4213 (Amodei): Department of Homeland Security Appropriations Act, 2026 - Organized Retail and Supply Chain Crime. The Committee provides \$2,000,000 to establish a multi-agency, intelligence-based, and prosecutor-led Organized Retail and Supply Chain Crime future resource requirements.	6/26/25: Placed on the Union Calendar, Calendar No. 139	Monitor

<p>H.R.4552 (Womack): Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2026 - Making appropriations for the Departments of Transportation, and Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2026, and for other purposes.</p>	<p>7/21/25: Placed on the Union Calendar, Calendar No. 172. Action By: House of Representatives</p>	<p>Monitor</p>
<p>H.R.4926 (Hageman): Highway Funding Transferability Improvement Act. This bill would amend title 23, United States Code, to provide for increased transferability of Federal-aid highway funds.</p>	<p>8/9/25: Referred to the Subcommittee on Highways and Transit.</p>	<p>Monitor</p>
<p>H.R. 5783 (Pou): State Actions For Employing Transportation Risk Assessments and Crossing Knowledge Strategies Act. The bill would mandate periodic Federal Railroad Administration reports to lawmakers on highway-rail grade crossing safety with details about how states will work with railroads to reduce pedestrian deaths, including suicides, in conjunction with mental health and law enforcement agencies. Such reports would be required every five years.</p>	<p>12/18/25: Referred to the Subcommittee on Railroads, Pipelines, and Hazardous Materials.</p>	<p>Monitor</p>
<p>H.R.6298 (Friedman): Safe and Affordable Transit Act. To amend title 49, United States Code, to provide for grants to certain urbanized areas for operating costs relating to crime prevention and security, and for other purposes.</p>	<p>11/26/25: Referred to the House Committee on Transportation and Infrastructure</p>	<p>Support</p>
<p>H.R. 7748 (Deluzio): To enhance safety requirements for trains transporting hazardous materials, and for other purposes. - As of 03/05/2026 text has not been received for H.R.7748 - To enhance safety requirements for trains transporting hazardous materials, and for other purposes. The Government Publishing Office (GPO) makes the text of legislative measures available to the public and the Library of Congress. GPO makes the text available as soon as possible, but delays</p>	<p>3/2/26: Referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case</p>	<p>Monitor</p>

can occur when there are many or very large legislative measures for GPO to prepare and print at the same time.	for consideration of such provisions as fall within the jurisdiction of the committee concerned.	
U.S. Senate		
S.1218 (Moran): Transportation Assistance for Olympic and World Cup Cities Act of 2025 - provides financial and planning support for cities and organizations hosting international sporting events in the United States, including the Olympics and the FIFA World Cup. Additionally, the bill directs contracting state agencies to develop a growth plan to increase participation of minority- and women-owned businesses in state contracts and subcontracts.	4/1/25: Read twice and referred to the Committee on Commerce, Science, and Transportation	Monitor
S.1733 (Cramer): Highway Funding Transferability Improvement Act. To amend title 23, United States Code, to provide for increased transferability of Federal-aid highway funds. Section 126(a) of title 23, United States Code, is amended by striking "50 percent" and inserting "75 percent".	7/23: Committee on Environment and Public Works Senate Subcommittee on Transportation and Infrastructure. Hearings held.	Monitor
S. 2354 (Moran): Commerce, Justice, Science, and Related Agencies Appropriations Act, 2026. This bill provides FY2026 appropriations to the Department of Commerce, the Department of Justice (DOJ), the science agencies, and several related agencies.	7/17/25: Placed on Senate Legislative Calendar under General Orders. Calendar No. 122.	Monitor
S. 2651 (Scott): ROAD to Housing Act of 2025 - To increase the supply of affordable housing in America incorporating the Build More Housing Near Transit Act.	8/1/25: Placed on Senate Legislative Calendar under General Orders. Calendar No. 143.	Monitor
S. 3665 (Duckworth): A bill to prosecute, as a Federal crime, the assault or intimidation of a passenger train crew member in a manner consistent with the prosecution of assault or intimidation of an aircraft crew member.	1/15/26: Read twice and referred to the Committee on Commerce, Science, and Transportation.	Monitor



METROLINK

April Legislative Update

Receive and file.

State

- Updates bills and legislative session



Federal

- President's FY27 budget proposal
- APTA Legislative Conference and advocacy in Washington DC





METROLINK

Thank you.



metrolinktrains.com/meeting

ITEM ID: 2026-200-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Michelle Pena, Board Clerk

SUBJECT: Approval of Meeting Minutes - March 27, 2026 Regular Board Meeting

Recommendation

It is recommended that the Board approve the Minutes of the March 27, 2026 Regular Board Meeting.

Prepared by: Michelle Pena, Board Clerk

Approved by: Noelia Rodriguez, Chief of Staff
Don Del Rio, General Counsel

Attachment(s)

[Attachment A - DRAFT 03.27.26 Board of Directors Minutes](#)

DRAFT MINUTES OF THE BOARD OF DIRECTORS MEETING

Friday, March 27, 2026

BOARD MEMBERS/ALTERNATES IN ATTENDANCE:

OCTA: DOUG CHAFFEE (*Chair*)
(2 votes) Mark Tettermer

RCTC: BRIAN BERKSON (*Vice-Chair*)*
(2 votes) Karen Spiegel
Linda Molina

VCTC: Bob Engler
(1 vote)

METRO: ARA NAJARIAN
(4 votes) Pam O'Connor
Victor Preciado**

SBCTA: LARRY McCALLON
(2 votes) ALAN WAPNER
Ray Marquez

*Vice-Chair Berkson joined the meeting at 10:24 a.m.

**Director Preciado joined the meeting at 10:24 a.m.

EX-OFFICIO MEMBERS

SCAG

State of California

Marty Simonoff
Marlon Regisford

STAFF/PRESENTERS:

DARREN KETTLE, Chief Executive Officer
DON O. DEL RIO, General Counsel
NOELIA RODRIGUEZ, Chief of Staff
SAMANTHA CERDA, Assistant Board Clerk
SABRINA DAVIS, Director, Customer Experience
JEFFREY DUNN, Director, Government and Community Relations
DON FILIPPI, Chief Operating Officer
GEOFFREY FORGIONE, Associate General Counsel
ANGELOS KASTRISIANAKIS, Senior Manager, Contracts & Compliance
HILARY KONCZAL, Chief Safety, Security, and Compliance Officer
JANAE KURIA, Railroad Civil Engineer II
JEANINA ROMERO, Executive Assistant to the CEO
TOM SCHAMBER, Chief Financial Officer
CHRISTINE WILSON, Assistant Director, Finance

Meeting minutes are prepared in a format that corresponds with the Board Meeting Agenda, which is incorporated by reference with these minutes. Board Agendas are available online at www.metroinktrains.com under the Meetings and Agendas link or from the Board Clerk at (213) 452-0255.

1. Call to Order

The March 27, 2026 Regular Board Meeting was called to order at 10:05 a.m. by Chair Chaffee in the Metro Board Room, One Gateway Plaza, 3rd Floor, Los Angeles, CA 90012.

2. Safety Briefing

Hilary Konczal, Chief Safety, Security, and Compliance Officer conducted the safety briefing.

3. Pledge of Allegiance

Director Wapner led the group in the pledge of allegiance.

4. Roll Call

The Assistant Board Clerk called roll and confirmed that a quorum of the Board was present. Directors Nguyen, Go, Vargas, Trembley, Barger, Sandoval, Solis, Ohlsen, and Dutrey were absent.

5. Public Comment

The Assistant Board Clerk announced written public comments were received regarding restoring Angels Express service, suggestions for increasing fare revenue that would have a limited impact on riders, and several comments regarding Items 7A and 7B. She stated the written public comments will be emailed to the Board after the meeting.

Jeff Shaffer, President, ATU Local 1277, spoke about ongoing negotiations with Metrolink and their commitment to reaching a fair contract despite agency's focus on punitive and unproductive proposals.

6. Approval of Consent Calendar Items:

ACTION: Upon a single motion by Director McCallon and seconded by Director Tettermer, the Board (11-0) approved Consent Calendar items 11.A. through 11.E.

7. REGULAR CALENDAR

7.A **Critical Temporary Service Reduction Effective March 23, 2026**

CEO Darren Kettle explained persistent parts shortages have negatively impacted the agency's ability to repair trains when mechanical issues arise. He furthered the agency reached a critical point where current service levels could not be confidently maintained due to mechanical-related disruptions. To be proactive in anticipation of future failures and to allow time to align with the decreased availability of reliable equipment and parts, on March 18 he made the decision to temporarily reduce service on trains with modest ridership, effective March 23, 2026.

Director O'Connor asked if staff is confident the necessary parts will be received in time to resume service in May.

Mr. Kettle stated staff is confident the parts issue will be resolved by May, barring any unexpected runs on fuel manifolds or spider shafts, and shared that a work directive was issued to Alstom to add four additional members to the mechanical team to catch up on repairs and get Metrolink back to having 35-36 units available. He emphasized the importance of these repairs in being able to run increased service for the World Cup and noted staff is working with LA Metro for funding to support the increased service.

Director Tettermer asked about the practice of cannibalization and whether the agency is actively harvesting parts from trains or if there are just fewer parts when something fails.

Mr. Kettle opined it is a horrible practice that Metrolink has engaged in and explained Chief Operating Officer Don Filippi directed Alstom to no longer cannibalize equipment and only purchase new parts moving forward.

Director Marquez asked how many working units the agency currently has.

Mr. Kettle stated the agency has 30 operating locomotives.

In follow up, Director Marquez asked if the main issue was parts and not personnel.

Mr. Kettle confirmed it was a parts issue. He then added part of the challenge is catching up on a backlog of repairs that need to be completed and explained it takes time and shop space to get caught up when mechanical failures occur. He shared that space has been cleared at the Central Maintenance Facility for the additional mechanical team to complete the repairs and reiterated his confidence in this being resolved after the temporary service reduction. Lastly, he noted due to ongoing budget challenges the Board may want to discuss how service is rolled back after the World Cup.

Director Spiegel asked if the service reductions were strategic and if they were distributed fairly amongst all lines or dependent on member agency contributions.

Mr. Kettle confirmed the reductions were strategic, based on the trains with lowest ridership, and fairly distributed. He noted budget related service reductions will be determined similarly but will be slightly more extensive. He went over various factors the Operations team is looking at that will be a cost to the agency for longer-term reductions and stated that conversation will be more specific and strategic to ensure we keep some efficiency and maintain some sort of optimized schedule.

Director Spiegel voiced concern over the long-term effect this could have on ridership and recommended the temporarily reduced lines be the ones that are permanently reduced later to avoid further frustrating riders. She encouraged staff to listen to the member agencies and stated RCTC wanted to increase service while two other member counties decreased their funding levels. She further indicated there should be a consequence for those actions.

Mr. Kettle expressed his understanding and explained should there be a likely second round of service reductions due to budget challenges, they will be similar to the temporary reductions but more extensive.

Chief of Staff Noelia Rodriguez reminded the Board to speak into their microphones to ensure members of the audience could hear their comments.

Director Molina expressed concern about whether the repairs can be completed by May and noted it would be better to provide riders with a longer timeframe to avoid disappointing them again if reductions need to be extended. Additionally, she asked if staff would consider increasing fares.

Mr. Kettle confirmed that an item will be brought to the Board to increase fares on a few ticket types since there has not been a fare increase in 14 (sic) years.

In response to Director Engler, Mr. Kettle stated there has not been a reduction or furlough of train crews and shared there is a provision in the contract with Alstom that requires a notice period for reduction in service. Given the level of service reduction, he explained there could be a six-month notice period, which would potentially lead to workforce-related changes.

Director Engler asked if staff is concerned about the impact the temporary reduction will have on revenue.

Mr. Kettle stated there has been a small reduction in ridership and explained the next indicator of its impact will come in April, when customers buy their monthly passes.

Chair Chaffee asked how the locomotives will be rotated into repair and whether the 30 currently in use will need to be repaired.

Mr. Kettle explained the goal is for all equipment to be ready for LA28. In the meantime, he stated staff is trying to get back to having 35-36 available units. He shared there are preventative maintenance programs that need to be responded to, but it is a matter of getting the locomotives back to where they need to be and highlighted the importance of the Alstom work directive. He confirmed for Chair Chaffee the goal of being in a state of good repair for LA28.

Chair Chaffee asked if Metrolink is encouraging ridership amid the gasoline shortage.

Mr. Kettle shared that Communications Director Meredith Yeoman was interviewed by ABC and staff has been encouraging ridership on social media. He confirmed the agency will continue to deliver this message.

In response to Chair Chaffee, Mr. Kettle recommended public comment be heard after completing Item 7B as the public speakers have requested to speak on both items.

The Board received and filed this report.

7.B FY27 Budget Development Update

Mr. Darren Kettle shared the reason this item is being presented to the Board is to be transparent regarding the status of the FY27 budget development. He noted, according to the JPA, staff is required to provide a budget to the member agencies by May 1st. He shared the agency will not make that deadline due to the various moving parts identified in the report. He explained this item is to make the Board aware that there will likely need to be a continuing resolution that allows staff to present the final budget by July. Additionally, he shared that he spoke about this with the member agency CEOs, and they understand there is no simple solution.

Director Spiegel stated the optimized schedule has been wonderful but encouraged staff to focus on our most reliable ridership and shared her concern that we may harm those riders by focusing too much on the World Cup and LA28. She questioned whether the optimized schedule has benefited the agency and suggested examining regular ridership and the lines that have that consistent ridership. She recommended service cuts not be imposed across the board when some counties are keeping with their contributions. She acknowledged that while OCTA and LA Metro make up 70% of the budget, not all counties should be penalized and reminded the Board that RCTC will not be able to increase service to meet their ridership demands.

Mr. Kettle stated the FY27 budget will take Metrolink back to its roots. He expressed disappointment that the optimized schedule was not given enough time to succeed but acknowledged the agency's challenges and stated we can't keep going in that direction. He explained the budget we will ultimately be working through will be strategic and constrained and shift us more to the commuter model versus the regional passenger rail model. He noted this could change in the future should more resources be identified.

Director Spiegel opined it would be nice if Metrolink received the bailout BART received.

Mr. Kettle provided information on the regional sales tax measure on the November ballot and, if successful, will pay back the loan BART received. He stated the region has not rallied around Metrolink as bay area counties have rallied around Caltrain, BART, and AC Transit.

Director O'Connor encouraged the Board to think seriously about future funding, even if Metrolink goes back to a more limited service and to imagine how their constituents would be impacted if Metrolink were not available. She recommended the five counties work together to find a way to fund the agency in the long run.

Director McCallon stated the financial challenges are not a one-year issue. He noted the agency will need to identify additional resources to support the Olympics in the capacity that LA28 expects and notify them if Metrolink will be in a reduced service situation. Additionally, he explained Brightline West will be connecting with Metrolink and will want more frequent service on the San Bernardino line, which will be another issue staff will face in the coming years.

Director Wapner expressed his concern that the agency is moving forward with the budget without receiving policy direction from the Board. He cited the suggestion that fares need to be raised and explained he is concerned about increasing fares while simultaneously reducing service. He noted major policy shifts should be brought to the Board first, so staff has the policy direction they need to develop the budget.

The Chair invited public comment on Items 7A and 7B, and two members addressed the Board. Adriana Rizzo spoke about her concerns regarding the budget challenges and upcoming service cuts due to mechanical failures while gas prices are rising. She encouraged Metrolink to consider transitioning to electrified trains given the issues they are facing and highlighted the benefits of electrification. Then, Michael Boulay shared the benefits of electrification given the current rising oil prices, budget and operational issues. He stressed the need for a more consolidated governance and a dedicated funding source.

Director O'Connor cited recent budget surpluses and asked if there is a way to tighten the budget process so there is not as large of an ask from the member agencies.

Mr. Kettle explained the surpluses have decreased in the last two years as staff has continued to tighten the budget. He stated he has received this question from the member agencies this year and directed staff to examine trends and line items to bring in lower numbers and savings have already been identified. He spoke about the agency's annual budget of nearly \$300 million and budgeting process, noting we have about a 5% margin of difference on our annual budget. He shared the surplus is there and they have worked to get it under control but noted the reason for it is because there is concern that staff would need to go back to the member agencies for more funding.

In response to Director O'Connor, Mr. Kettle shared cost savings from the temporary service reduction would primarily come from fuel.

Chief Operating Officer Don Filippi added there will also be some cost savings from dispatching.

Director Spiegel stated she was not aware that cannibalization was an ongoing practice and noted the surpluses should have been used to create funding to prevent it. She added the surpluses could have helped to prevent the maintenance challenges the agency is facing and there could have been discussions with the Board and member agency CEOs to shift that funding to cover those costs instead of returning it.

Mr. Kettle explained he asked the CEOs for a portion of the surplus to replace seat covers, and they agreed; however, they see the surplus as their money, which is why the agency returns it each year even though we state we could use it for various repairs.

Director Spiegel asked what the Board's purpose is if the CEOs are making decisions the Board is supposed to make. She noted she is not criticizing the CEOs, but she was not aware they were making that decision and not the Board.

Mr. Kettle shared each county does it differently and the policies related to surpluses would need to be consistent across all five counties.

Director Spiegel encouraged the Board to talk to their CEOs about what their organizations are doing. She recommended developing a consistent policy that dictates how to handle a surplus because sending it back, when it could cover minor repairs, is putting the agency further behind.

Vice-Chair Berkson asked if freight locomotives could be used to pull the agency's train sets.

Mr. Kettle explained it has been done in the past and was expensive as the locomotives had to be leased from BNSF. He stated staff is focusing on getting the fleet to where it needs to be in the next 45 days as that is the quickest and most affordable solution.

Vice-Chair Berkson spoke about the lack of availability of parts for the Tier 4 locomotives and how rehabilitation was required sooner than anticipated. He noted there needs to be a plan for how to tackle these unexpected challenges before the upcoming major events, so the agency does not find itself in the situation it is in today.

Mr. Kettle stated there are lots of moving factors, but staff will look into it and agreed we need to be prepared.

Vice-Chair Berkson asked if Metrolink has a deficit of \$30 million.

Mr. Kettle confirmed staff believes that is the ballpark number.

Vice-Chair Berkson encouraged staff to consider advertisements, such as train wraps, or Olympics sponsorships which could fill a major funding gap. He expressed his understanding that the five counties would need to agree and highlighted it as an untapped resource for the Board to consider if legally permitted.

Mr. Kettle shared staff is currently working with LA28 for that opportunity and confirmed Metrolink would receive the money.

Vice-Chair Berkson spoke about how commuter ridership has changed as most workplaces are in office three days per week and recommended looking into promoting the various entertainment and shopping opportunities that are local to each Metrolink station. He suggested including this information in the agency's advertisements and media, as well as in the trains. He shared this could encourage customers to go on a journey on the train and perhaps inspire them to get off at a station they may not have gotten off at.

Director Preciado spoke about the essential service the train provides and praised staff for staying within 5% of the budget. He asked what it would take to get dedicated funding and stated staff could follow up with him after the meeting if there is not a simple answer to his question.

Mr. Kettle spoke about the methods for determining a dedicated funding source and explained it would require a consensus of the five counties.

Director Preciado shared he hopes the CEOs come to an agreement and asked about the timeline for receiving a new locomotive.

Mr. Kettle stated it is about three years from when an order is placed.

Director Preciado asked about the timeline for an electrified or hydrogen locomotive.

Mr. Kettle explained it would be at least three years, and electrification would require the power to operate it. He noted Metrolink's legacy system and maintenance facilities were not designed for it and shared that Caltrain had to build a new facility to support electrification. He emphasized the significant investment required for any alternative form of propulsion.

Director Preciado stated there is no shortage of priorities that can be used as a roadmap to create policy. He stated people should understand it is not something the agency can shift from one year to the next, but he believes staff will find a solution.

Director Molina asked how long an extension would be if the repairs are not completed within 45 days.

Mr. Kettle spoke about the current budget challenges and FTA requirements should there be any major changes in service. He shared staff is evaluating what makes sense from a customer perspective as they would like to avoid causing further frustration by returning to regular service only to reduce it again due to the budget challenges. He noted he does not want to provide an exact timeframe because it may make more sense to deal with the budget-related reductions.

Director Marquez asked how Metrolink pays its bills since we do not have any dedicated funding and shared that his question is meant to inform the public.

Mr. Kettle explained 13% of Metrolink's operating costs are funded from fare revenue, but our primary source of revenue comes from the member agencies. He spoke about the different sources of funding the member agencies utilize to fund the agency such as local sales taxes, federal funding generated through miles operated, and State Rail Assistance funds that amount to about \$6 million per year.

In response to Director Marquez, Mr. Kettle shared the DMU has operated great on the Arrow line and has been the subject of a study, funded by SBCTA and LA Metro, to look at how the agency would implement multiple units. He highlighted associated costs that would come with that transition and noted the legacy locomotives would still be utilized.

Director Tettermer stated there are multiple challenges that feed into Metrolink's challenging financial situation. He requested the Chair consider forming an ad hoc committee to work through these issues with more frequency than the regular monthly Board meetings. He acknowledged that the committee structure is currently suspended and shared the depth of the financial issues facing the agency warrant the need for an ad hoc committee, which could be used as a forum to work through policy issues as well as examine the financial and operational implications.

Chair Chaffee explained he has discussed this with General Counsel Don Del Rio and, due to Metrolink's structure, there are some issues with how the ad hoc committee would be formed, but he will look into how that can be resolved.

Director Spiegel asked who determines which lines receive service reductions.

Mr. Kettle spoke about the various factors the scheduling team take into consideration, including which trains have the lowest load factors and how to get the best utility from our crews. More specifically for these upcoming reductions, he explained staff had to locate \$30 million in savings. He stated the schedule concept was presented to the CEOs for their awareness and explained staff is waiting for more information from Alstom before they daylight the schedule because crews are a large part of the savings.

In response to Director Spiegel, Mr. Kettle explained this information is shared with the CEOs prior to taking it to the Board for consideration.

The Board received and filed this report.

7.C Contracts and Procurement Policy Change - Updating Policy for Annual Contract Renewals

Angelos Kastrisianakis, Senior Manager, Contracts & Compliance, explained the current Annuals process is not included in the Contracts and Procurement Policy and changing the current process for the Original Equipment Manufacturer (OEM) contracts will avoid delays in ordering rolling stock components.

Director McCallon stated since the new policy authorizes the CEO to reallocate contract authority, he recommends adding to the policy that the CEO report to the Board quarterly on allocations that occurred over the prior months.

ACTION: Upon a single motion by Director McCallon and seconded by Director Spiegel, the Board (11-0) approved the revision to the Contracts and Procurement Policy to memorialize the existing practice of annual contracts renewals, authorized the Chief Executive Officer to reallocate contract authority between annual OEM materials contracts, and require staff to provide a quarterly update the Board on reallocations authorized by the CEO.

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

7.D Contract No. C3166-26 FY24 Valley Track Project - Recommendation to Award - Domestic Rail Solutions (DRS Contracting)

Janae Kuria, Railroad Civil Engineer II shared new installation and/or replacement of various track elements within the Valley Subdivision are required to maintain a state of good repair and ensure the safety and reliability of the existing rail system and supporting infrastructure. A new contract is required through which the various track improvements will be implemented.

ACTION: Upon a single motion by Vice-Chair Berkson and seconded by Director McCallon, the Board (11-0) authorized the Chief Executive Officer to award Contract No. C3166-26 FY24 Valley Track Project to the lowest responsive and responsible bidder, DRS Contracting Inc., for \$4,371,907 plus 10% contract contingency of \$437,190.70 for a total not-to-exceed amount of \$4,809,097.70. This recommendation is subject to the resolution of any timely filed protest.

The amounts for this project have been approved in the FY24 capital budget.

7.E Bench Contract No. SP657-26 - Rideshare Alternative Transportation - Recommendation to Award - Uber Technologies, Inc. and Lyft, Inc.

Sabrina Davis, Director, Customer Experience, shared Metrolink's Board-approved Quality Service Pledge (QSP) commits the agency to help customers safely complete their trips during significant service disruptions. While bus bridges are the primary alternative, she explained they cannot always be deployed quickly enough or accommodate all customers. Metrolink, therefore, relies on an on-demand rideshare voucher program to supplement bus bridges and prevent riders from being stranded. She noted there are program controls and oversight in place and explained they track usage by incident and cost, which enables us to identify impacts related to the various causes of service disruptions. She shared Metrolink currently uses Uber for this service, and Lyft now offers a comparable voucher program, so staff is seeking Board approval to award multi-year agreements with both providers to ensure continuity and backup capacity.

In response to Director Wapner, Ms. Davis confirmed the agency does not receive reduced rates, but staff actively communicates with both companies to reduce our costs in other ways such as offering split payments. She stated there are no price negotiations.

In response to Director Spiegel, Ms. Davis stated if the ride costs \$32 then the agency would be charged that amount and not the full value of the voucher.

Vice-Chair Berkson asked if the Board recently approved an extension to this agreement as part of a quarterly contract report.

Ms. Davis confirmed CPMM presented to the Board on this topic a few months ago when the vouchers were being handled as a single source. She explained now that Lyft has a voucher program they have decided to move forward with a multi-year contract.

Director Tettermer asked if the rates between Uber and Lyft are comparable.

Ms. Davis shared Lyft is sometimes slightly cheaper depending on the situation, location, and demand.

Director Tettermer stated perhaps we should show preference if one is cheaper.

Ms. Davis spoke about the various factors to consider including customer preference.

Director Tettermer explained he understands it is complicated but recommends finding the lowest cost option or negotiating with the companies to get them to the same rate.

Director Engler stated he appreciates the cost savings and encouraged the Board to remember the vouchers are used because a trip has not been completed and the agency should do whatever we can to make the transition to the completion of the trip as easy as possible for the customer, even if it is slightly more expensive.

Director Marquez praised the QSP and asked what happens if a train is stopped in an unsafe location.

Ms. Davis explained staff works with the Security Operations Center and dispatch team to immediately send sheriff's deputies to the location. She confirmed once the customers are off the train staff will have arranged for a bus or send a google pin drop to their location so they can utilize a voucher.

ACTION: Upon a single motion by Director O'Connor and seconded by Director Engler, the Board (11-0) authorized the Chief Executive Officer to award Contracts No. SP657A- 26 with Uber Technologies, Inc. (Uber) and SP657B-26 with Lyft, Inc. (Lyft), in an aggregate amount for the bench not-to-exceed \$3,250,000 for as-needed rideshare voucher program services supporting Metrolink's Qualified Service Provider (QSP) transportation program, for a term of three years with one optional two -year renewal period, to be exercised at the CEO's discretion subject to annual budget appropriation. This award is subject to the resolution of any protest timely filed.

Contract authority includes approximately \$ 500,000 planned for FY2026-27, contingent upon adoption of the FY2026-27 operating budget. The remaining amount will be requested through subsequent annual operating budget approval processes.

7.F System Safety, Security, and Compliance (SSSC) Department Activities - Update Q2 FY26

Hilary Konczal, Chief Safety, Security and Compliance Officer, provided a summary of the Authority's safety, security, and compliance activities for Q2 for Fiscal Year (FY) 2026. He went over train strikes, fare evaders, reportable incidents and injuries, law enforcement activities, rule violations, and trainings.

Director Najarian shared he has received several emails and comments about a large homeless encampment near the Figueroa Street bridge, which serves the Ventura County and Antelope Valley lines. Considering the anti-camping ordinance and safety risks, he stated we need to keep rights-of-way clear and keep campers and those without shelter out of that region. He asked what the process entails and who is responsible for requesting enforcement from the sheriffs.

Mr. Konczal noted they are increasing enforcement in certain areas, including the location he cited, and explained we provide 72-hour notice to vacate before the LASD and right-of-way team clear the area. He explained staff has met with BNSF about this issue and hope to continue to work with them as they continue to have issues with this as well.

Director Najarian said 72 hours is generous for someone who has scaled a fence and entered secured property. The Board clarified the 72-hour notice is the law and he recommended discussing that with legislators.

The Board received and filed this report.

7.G FY26 Report of Ridership, Revenue and Financial Results for February 2026

Assistant Finance Director Christine Wilson shared the ridership performance and financial results through February. She noted staff is reporting on the performance of the previous month and explained they are committed to doing so to ensure information is as fresh as possible. She went over ridership and farebox revenue recovery and stated she is disappointed to see the agency getting away from the optimized service schedule because the weekends are the one area where we are currently over the FY19 pre-pandemic numbers. She also shared operating statement results, budget savings and cost avoidance, and Arrow Service's revenue and operating statement. She touched on the accounts receivables past due and the agency's cash position and provided a ridership update.

Vice-Chair Berkson asked if the updated forecast includes the service reductions.

Mr. Kettle stated staff will be requesting a new forecast from Sperry Capital/KPMG that will include the reductions. He noted it will likely be included in the budget process as it will be factored in as revenue.

The Board received and filed this report.

7.H March Legislative Update

Government and Community Relations Director Jeffrey Dunn provided a regular monthly update on current legislative affairs. Following the Board's direction, he shared Metrolink has opposed SB 667. He stated CTA, San Joaquin Rail, Caltrain, and both Class I freight railroads have also opposed the bill and LA Metro's Executive Committee recommended a "seeks amendments" position. He added staff will track this bill and work with LA Metro should they need our expertise to assist with the amendment. He touched on SB 1136 and stated amendments will be incorporated to address concerns the agency and other impacted rail partners had regarding mandating service to special events. He provided an update on SB 1411 and stated Metrolink submitted eleven earmark requests for possible inclusion into the FY27 THUD appropriations bills. Due to this being an election year, he shared the expectation that congress will pass all appropriations bills in some form by the end of the fiscal year. Lastly, he stated staff will be in Washington for the APTA conference where they will continue to advocate for the earmark requests, Olympics needs, and the Surface Transportation Reauthorization bill.

The Board received and filed this report.

8. Chief Executive Officer's Report

Mr. Kettle congratulated the Dodgers on their successful opening day as well as the City of Ontario and the Ontario Tower Buzzers on their new ballpark.

9. Board Members' Comments – None.

10. Chair's Comments

In reference to Director Tettermer's request for the formation of an ad hoc committee, Chair Chaffee stated the JPA structure of Metrolink and the Brown Act make it complicated, but he will work to ensure we have as much participation that we can if we are able to form it. He shared he has heard some possibility of advertising on our trains as it is something they are able to do at OCTA and recommended staff find additional grants to help students ride free again. He praised staff for their work during this challenging time.

11. CONSENT CALENDAR

11.A Approval of Meeting Minutes - February 27, 2026 Regular Board Meeting

The Board (11-0) approved the Minutes of the February 27, 2026 Regular Board Meeting.

11.B Internal Audit Charter Update

The Southern California Regional Rail Authority's (SCRRA) Internal Audit Department (IA) has updated its Internal Audit Charter to align with the revised auditing standards.

The Board (11-0) approved the Internal Audit charter update.

11.C Internal Audit Policy Update

The Southern California Regional Rail Authority's (SCRRA) Internal Audit Department (IA) has updated its Internal Audit Policy (IA-1.1) to align with the changes in the auditing standards and to incorporate other process improvement.

The Board (11-0) approved the Internal Audit policy update.

11.D Internal Audit Department's 2023-2025 External Quality Control Review Report

The Association of Local Government Auditors (ALGA) conducted an external quality control review of the Internal Audit Department (Internal Audit or the Department), in accordance with the auditing standards that govern the Department's work.

The Board received and filed this report.

11.E Assembly Bill 1234 Meetings Attended by Members of the Board of Directors

A report on meetings attended by members of the Board of Directors is provided in compliance with the Authority's policies and Assembly Bill 1234 (AB 1234) (Government Code Section 53232 et seq).

The Board received and filed this report.

12. ADJOURNMENT

There being no further business for consideration by the Board, the meeting was adjourned at 11:57 a.m.

Prepared by,

A handwritten signature in blue ink, consisting of a stylized 'S' and 'C' intertwined.

Samantha Cerda
Assistant Board Clerk



ITEM ID: 2026-197-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Donald Filippi, Chief Operating Officer

SUBJECT: Purchase Orders No. EP246A-26 and EP246B-26 - Specialized Maintenance of Way Equipment - Recommendation to Award - Plasser American Corporation and Knox Kershaw Inc.

Issue

The Authority requires the following Specialized Maintenance-of-Way equipment to support field work along the Authority's Right-of-Way:

- Railroad Production and Switch Tamper
- Dynamic Track Stabilizer
- Ballast Regulator

Recommendation

It is recommended that the Board authorize the Chief Executive Officer to award the following Purchase orders in a total not-to-exceed amount of \$4,869,502.75:

1. EP246A-26: Plasser American Corporation - \$4,248,150.02
2. EP246B-26 Knox Kershaw Inc. - \$621,352.73

These Purchase Orders are for the one-time purchase of the Maintenance-of-Way Equipment listed above. This award is subject to resolution of any timely filed protests.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Safety is Foundational:** We will stay on the leading edge by deploying new technologies and processes to enhance the safety and security of our riders, our fellow

employees, and the communities we serve. The Specialized Maintenance-of-Way Equipment will support maintenance work along the Authority's right-of-way and will help the Authority maintain its track infrastructure in a state of good repair.

Background

The Authority's Railroad Production/Switch Tamper, Dynamic Track Stabilizer, and Ballast Regulator equipment have reached the end of their useful service lives. Two of these units were manufactured in 2005 (21 years old), and the Dynamic Track Stabilizer was manufactured in 2009 (17 years old). These machines are equipped with Tier 2 and Tier 3 engines, respectively. Due to their age, declining reliability, and increasing frequency of breakdowns, replacement of this equipment is recommended.

The Railroad Production and Switch Tamper packs the ballast (rocks) tight under the track, aligning the rails back in the correct position. The Dynamic Track Stabilizer shakes everything so tracks settle, interlock and stay strong after repairs and the Ballast Regulator cleans and shapes the rocks neatly.

All three work together to keep train tracks smooth, safe, and ready for trains.

The proposed new maintenance-of-way equipment will be powered by Tier 4 final engines, fueled by renewable diesel and will be used for track maintenance throughout the Authority's system, including yards, tunnels, main tracks and station platforms and high degree super-elevated curves.

Discussion

On September 8, 2025, the Authority issued an Invitation for Bids (IFB) No. EP246-26, seeking bids from qualified firms to provide the requested Specialized Maintenance-of-Way Equipment. The IFB was posted on the Authority's online solicitation portal and notifications were sent to 401 registered firms. The Authority also advertised the IFB in publications in the five-member counties and in diversity newspapers. There were 33 prospective bidders who downloaded the document package. The Authority received and answered 142 questions. Due to the diversity of the requested equipment, Bidders were allowed to submit bids per line item, instead of an all-or-nothing bid structure.

The Authority received three bids by the submission due date of February 19, 2026. Three bids were initially found to be responsive and responsible. The three bids were sent to the Project Manager for a technical review against the Scope of Work. Exceptions to the Scope of Work were required to be submitted and approved prior to the Bid due date. During the technical review, one bid was found non-responsive as the submission did not meet the requirements of the Scope of Work.

The responsive bids are listed on the table below along with the Independent Cost Estimate (ICE).

Description	ICE	Plasser American Corporation	Knox Kershaw Inc.
Railroad Production and Switch Tamper	\$1,939,662.48	\$2,182,618.11	-
Dynamic Track Stabilizer	\$2,091,840.25	\$2,065,531.91	-
Ballast Regulator	\$624,778.51	-	\$621,352.73
Over/Under	-	5.37%	-0.55%

Lowest bidder solicitations are not subject to negotiation. The amount requested for this award is 4.58% above the ICE and was found to be fair and reasonable. Based on the submitted bids it was determined to be in the best interest of the Authority to award a purchase order to each Plasser American Corporation and Knox Kershaw Inc., respectively, as listed above.

Budget Impact

The amounts for which contract authority is requested are included in the Adopted Capital Budgets for FY2024-25 (\$4,869,502.75).

Next Steps

Upon Board approval, Staff will execute the Purchase Orders with Plasser American Corporation and Knox Kershaw Inc.

Prepared by: Eric Poghosyan, Director, Facilities & Fleet Maintenance
Dorothea Cantero, Senior Contract & Compliance Administrator

Approved by: Donald Filippi, Chief Operating Officer

Attachment(s)

[Presentation - EP246A-26 and EP246B-26 MOW Specialized Equipment](#)



METROLINK

Purchase Order No. EP246A-26 and EP246B-26 – Specialized Maintenance of Way Equipment – Recommendation to Award

Background

- The Authority has identified three maintenance-of-way equipment at the end of their useful life (median age: 20 years) that no longer provide reliable support for routine track maintenance.
- These equipment operate in tandem to perform critical track maintenance functions, making their reliability essential to safe and efficient operations.
- Only two manufacturers produce each equipment type, and no non-diesel alternatives are currently available; therefore, procurement focused on Tier 4 Final units to operate with renewable diesel.

METROLINK

Dynamic Track Stabilizer



Switch/production Tamper



Ballast Regulator



Discussion

- The Authority issued an Invitation for Bids (IFB) No. EP246-26 on September 8, 2025, and advertised it in publications in the five member counties and diversity newspapers.
- Three bids were received by the submission due date of February 19, 2026. During the technical review, one bid was found non-responsive as the submission did not meet the requirements of the Scope of Work.
- Staff has determined that the bids submitted by Plasser American Corporation and Knox Kershaw Inc were both responsive and responsible.
- The funding authority requested is 4.58% above the Independent Cost Estimate (ICE) and found to be fair and reasonable.

Discussion

The individual pricing for each piece of equipment is shown on the table below.

Description	ICE	Plasser American Corporation	Knox Kershaw Inc.
Railroad Production and Switch Tamper	\$1,939,662.48	\$2,182,618.11	-
Dynamic Track Stabilizer	\$2,091,840.25	\$2,065,531.91	-
Ballast Regulator	\$624,778.51	-	\$621,352.73
Over/Under	-	5.37%	-0.55%

Recommendation

It is recommended that the Board authorize the CEO to execute the following Purchase orders in a total not-to-exceed amount of \$4,869,502.75, as divided below:

- EP246A-26: Plasser American Corporation - \$4,248,150.02
- EP246B-26 Knox Kershaw Inc. - \$621,352.73



METROLINK

Thank you.



ITEM ID: 2026-176-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: Contract No. SP649-26 - Planning Support Services - Recommendation to Award Bench Contract

Issue

The Authority requires continued consultant support to help perform multidisciplinary planning services.

Recommendation

It is recommended that the Board authorize the Chief Executive Officer to:

1. Award Bench Contract No. SP649-26 for Planning Support Services to:
 - SP649A-26 - Jacobs Engineering Group Inc
 - SP649B-26 - HDR Engineering, Inc
 - SP649C-26 - Mott MacDonald
 - SP649D-26 - WSP USA Inc
 - SP649E-26 - Kimley-Horn and Associates, Inc; and
2. Approve a total not-to-exceed contract authority amount of \$8,000,000 for the bench contract for a term of five years. Work under this bench contract will be authorized through the Contract Task Order (CTO) process on an as-needed basis.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **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. The planning support services that will be provided by this bench contract help develop plans that provide for greater connectivity, more attractive transportation alternatives, system integration, economic development, sustainability, and equity; and ultimately help Metrolink transform from a “commuter” passenger rail model to a “regional” passenger rail model.

Background

Multidisciplinary planning consultant support is needed to help the Authority perform planning activities related to:

Planning Category	Task / Expertise Examples
Project Development	<ul style="list-style-type: none"> • Project Study Reports • Conceptual design • Feasibility studies • Corridor studies • Cost estimation (ROM) • Project scheduling • Environmental review reports and process updates • Environmental and technical studies • Permit and stakeholder coordination • Review of other third-party environmental reviews and representation of the Authority in project reviews • Real Estate and Right of Way Planning and Valuation
Station Planning	<ul style="list-style-type: none"> • Current and future station siting and land use • Connectivity, accessibility, and design standards • First/Last-Mile strategies • Station amenities • Stakeholder coordination • Station maintenance analysis • Wayfinding strategies • Crowd management strategies

Service Planning	<ul style="list-style-type: none"> • Schedule development • Crew and equipment analysis and rostering • Schedule performance analysis • Operations simulation • Operating cost analysis • Multimodal service integration • Service planning research • Service growth development • Train schedule validation • Major events planning support • Travel Demand Management (TDM) strategies • Third party coordination and negotiation support (e.g., regional transit partners, freight railroads, LOSSAN, etc.)
Fleet & Facilities Planning	<ul style="list-style-type: none"> • Zero Emission (ZE) technology and fleet analysis and planning • Level boarding • Fleet development and management • Industrial Engineering • Maintenance and support facility planning • Fuel consumption and emission evaluation
Economic, Social, and Data Analysis	<ul style="list-style-type: none"> • Analysis of mobility data (including cellphone data and Caltrans traffic counts) • Project database development and management • Economic analyses (e.g., economic impacts, benefit cost analysis, etc.) • Demographics analysis
Policy Development	<ul style="list-style-type: none"> • Fare Policy • Parking policy • Americans with Disabilities Act (ADA) policy
Modeling, Forecasting, and Financial Analysis	<ul style="list-style-type: none"> • Travel demand modeling • Ridership Demand Modeling • Ridership projections for schedule changes and special trains • Financial forecasting • Revenue generation analysis and support • Vehicle Miles Traveled (VMT) and carbon reduction analysis
Mapping & Spatial Analysis	<ul style="list-style-type: none"> • Geographic Information System (GIS) support • Spatial analysis • Web-based atlas development and management

Federal Title VI Program	<ul style="list-style-type: none"> • Title VI equity analysis • Title VI outreach support • Title VI Program development, implementation and compliance support
Market Analysis	<ul style="list-style-type: none"> • Origin-Destination Surveys • Market assessments
Strategic Planning	<ul style="list-style-type: none"> • Long- and short-range planning • Strategic Business Plans • Performance Management/Measures • Executive advisory services • Peer benchmarking
Fare Strategy and Integration	<ul style="list-style-type: none"> • Fare structure analysis and development • Fare technology • Regional fare integration • Open Loop ticketing • Trip planning strategies
Grant Support	<ul style="list-style-type: none"> • Discretionary and formula grant application preparation support • Grant opportunity monitoring • Grantor workshops and webinar participation

This new Bench Contract will replace the existing Bench Contract No. SP515-20 for Planning Support Services which was awarded by the Board in April 2020 to five consultants and expires on May 25, 2026; although three active CTOs will be allowed to continue for no more than a year solely to complete ongoing work.

Discussion

On December 19, 2025, the Authority issued a Request for Proposals (RFP) No. SP649-26 for Planning Support Services for a contact term of five years. The solicitation was published in the five member counties and posted on the Authority's online procurement module. Notifications were sent to 1,893 registered firms. One hundred and twenty-eight prospective bidders viewed the solicitation on the procurement module. A virtual pre-proposal conference was held on January 9, 2026, with 59 prospective bidders representing 30 firms in attendance. The Authority received and answered 49 questions. Nine proposals were received by the due date of February 6, 2026. All nine firms were found responsive and moved on to the evaluation phase.

Proposals were evaluated in accordance with the Authority's procurement policies and procedures. A Technical Evaluation Committee, consisting of four internal subject matter experts evaluated and scored the technical proposals. Five firms met the minimum qualifications with a technical score of 56 or greater, per the RFP requirements.

The price score was based on the calculation formula published in the RFP. Proposers were required to provide the maximum billable rates for Year 1 of the bench contract for 23 predefined, mandatory labor titles/specialties which are expected to be utilized most commonly under this bench contract. Proposers were further required to provide annual

escalation rates, which could not exceed 3%, for Years 2-5 of the bench contract which automatically calculated the maximum billable rates for those contract years. Using hypothetical billable hours for each of the 23 labor titles/specialties in Year 5, a total cost was automatically calculated for Year 5 which served as the basis for the price score. Proposers were allowed to add other labor titles/specialties to their price proposals, though they were not subject to the price score calculation.

The final scores for the five proposers meeting the Minimum Technical Score are as follows:

Proposer	Technical Score	Price Score	Total Score
Jacobs Engineering	70.75	20.00	90.75
HDR	71.25	19.07	90.32
Mott MacDonald	65.50	19.03	84.53
WSP	66.75	14.03	80.78
Kimley-Horn	65.50	14.72	80.22

The Authority held negotiation meetings with Mott MacDonald, WSP, and Kimley-Horn regarding their proposed maximum billable rates as they were generally higher than the Authority Independent Cost Estimate (ICE), which was prepared prior to the publication of the RFP. All three firms adjusted their maximum billable rates downwards. The maximum billable rates offered by Jacobs Engineering and HDR were generally either below or aligned with the Authority's ICE; therefore, negotiations with these two firms were not necessary. The final maximum billable rates for the five firms are deemed to be fair and reasonable, and align with current market prices as reflected in the Authority's ICE.

All five firms, along with subconsultants, proposed project teams that are multidisciplinary in nature, and have extensive experience providing planning support services for other public transit agencies throughout the nation, including other regional railroads. Jacobs Engineering, Mott MacDonald, and WSP are on the Authority's existing Planning Support Services bench contract; and HDR and Kimley-Horn are part of the Authority's engineering bench and SCORE Program-related contracts. All five firms are confirmed to be responsible entities, based on past performance on these other Authority contracts.

Work under the new Contract will be awarded to the consultants following the competitive CTO process; although the Authority reserves the right to award non-competitive CTOs to specific bench consultants if deemed in the interest of the Authority (e.g., follow-up activity to a previously awarded CTO; specialized services and/or personnel; etc.). The Authority anticipates non-competitive CTOs to be rarely executed. Contract Task Orders will be issued on an as-needed basis - there is no minimal financial obligation associated with this bench contract.

Staff recommends contracts be awarded to the five highest-ranked proposers identified above, to provide Planning Support services on an on-call basis.

Budget Impact

The amount for which contract authority is requested is included in the Adopted Operating Budget for FY26 (\$378,020). Funding for subsequent years (FY27 and beyond) will be requested through the annual budget or an equivalent process. There is no financial

commitment with respect to subsequent years, and work will be authorized only if funding is approved.

Next Steps

Upon award by the Board, staff will execute Bench Contract Nos. SP649A-E with the five firms listed above and issue Notices to Proceed (NTP) to begin providing as-needed Planning Support Service through the CTO process.

Prepared by: Brian Jacob, Planning Manager II
 Tammi Phillips, Senior Contract & Compliance Administrator

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

[Presentation - RFP No. SP649-26 Planning Support Services](#)



METROLINK.

**Contract No. SP649-26 – Planning Support Services –
Recommendation to Award Bench Contract**

Objective

To provide multidisciplinary planning and data analysis support services.

Examples of Multi-Disciplinary Service:

- Project Development
- Station Planning
- Service Planning
- Strategic Planning
- Fleet & Facilities Planning
- Economic, Social, & Data Analysis
- Modeling, Forecasting, & Financial Analysis
- Mapping & Spatial Analysis

Procurement Process

- Issued RFP on December 19, 2025.
- Virtual Pre-Proposal Conference held on January 9, 2026 (35 firms participated).
- Received nine proposals by the February 6th submission deadline:
 - Cambridge Systematics, Inc
 - EXP Global Inc
 - HDR Engineering, Inc
 - Jacobs Engineering Group Inc
 - Kimley-Horn and Associates, Inc
 - Mott MacDonald
 - STV Incorporated
 - WSP USA Inc
 - XELMETRICS LLC





Final Evaluation Scores

Proposer	Technical Score	Price Score	Total Score
Jacobs Engineering	70.75	20.00	90.75
HDR	71.25	19.07	90.32
Mott MacDonald	65.50	19.03	84.53
WSP	66.75	14.03	80.78
Kimley-Horn	65.50	14.72	80.22



METROLINK

Recommendation and Next Steps

- Award five-year Bench Contract No. SP649-26 for Planning Support Services to:
 - Jacobs Engineering
 - HDR
 - Mott MacDonald
 - WSP
 - Kimley-Horn
- Not-to-Exceed Contract Authority Amount: \$8,000,000



METROLINK

Thank you.



ITEM ID: 2026-157-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Tom Schamber, Chief Financial Officer

SUBJECT: Adoption of Revised Finance Policy - FIN 4.1 - Fixed Assets

Issue

Staff is proposing an update to Accounting Policy FIN 4.1 – Fixed Assets to incorporate guidance on the impairment of fixed assets and the accounting treatment of insurance recoveries associated with impaired fixed assets, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 42.

Recommendation

It is recommended that the Board approve revisions to Finance Policy FIN 4.1 - Fixed Assets.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. This action aligns with the strategic goal to modernize business practices through clarification, streamlining, and addressing audit findings related to the Authority's General Accounting policies.

Background

Metrolink manages a portfolio of fixed assets—including rail infrastructure, rolling stock, facilities, equipment, and technology systems—that are essential to the delivery of commuter

rail services. Due to the nature and scale of these assets, they may be subject to impairment resulting from events such as physical damage, natural disasters, technological obsolescence, or other significant and unexpected circumstances that affect their service utility.

When such events occur, Metrolink must evaluate whether the carrying value of the affected asset exceeds its remaining service utility and recognize an impairment loss when appropriate. In certain instances, impairment events may also give rise to insurance claims. As a result, Metrolink may subsequently receive insurance proceeds intended to compensate for all or a portion of the loss in value. Proper accounting treatment requires that impairment losses and related insurance recoveries be evaluated and recorded in accordance with GASB pronouncements, ensuring accurate financial reporting and appropriate management oversight.

Discussion

The proposed revision to FIN 4.1 – Fixed Assets results from an external audit finding indicating that the Authority must strengthen management oversight and controls related to insurance proceeds and the corresponding revenue recognized in connection with impaired fixed assets.

The revision clarifies the criteria for determining asset impairment and establishes guidance for the recognition of revenue associated with insurance proceeds received for impaired assets.

Budget Impact

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

Next Steps

This policy will be effective following the approval of this report.

Prepared by: Alex Barber, Assistant Director, Finance

Approved by: Tom Schamber, Chief Financial Officer

Attachment(s)

[Attachment A - FIN 4.1 - Fixed Assets - Clean](#)
[Attachment B - FIN 4.1 - Fixed Assets - Red Line](#)
[Presentation - FIN 4.1 - Fixed Assets](#)



Southern California Regional Rail Authority
Finance Policies

TITLE: Fixed Assets

NO. FIN – 4.1

ORIGINATING UNIT: Finance Department

EFFECTIVE DATE: April 24, 2026

REVISION: 3

PURPOSE

The purpose of this document is to provide a policy for accounting and safeguarding of fixed assets owned by SCRRA.

APPLICATION

This policy applies to all fixed asset owned by the SCRRA.

POLICY STATEMENT

SCRRA staff is responsible for the safeguarding and consistent accounting of all SCRRA fixed assets. The policy within this document is intended to define fixed assets, and to establish guidelines for acquisition, financial reporting, tagging, inventorying, transferring, depreciating and disposing of fixed assets.

1. Modified Approach to Accounting for Infrastructure

1.1.1 SCRRA has elected to use the modified approach in reporting its infrastructure assets as noted in Government Accounting Standards Board (GASB) Statement 34. Under the modified approach, infrastructure assets that are part of a railroad network or subsystem of a network are not required to be depreciated as long as two requirements are met:

1.1.2.1 SCRRA manages the infrastructure assets using an asset management system that maintains an accurate inventory, supports a condition assessment of the assets, and supports the estimate of rehabilitation to maintain the asset in the desired condition level.



1.1.2.2 SCRRA adopts a minimum condition level for the assets and maintains the asset at or above the established condition level.

1.2 Useful Life

Straight line method of depreciation shall be used for all fixed assets.

1.3 Fixed Asset Control

A Fixed Asset Custodian of each SCRRA Department has the responsibility for the acquisition and to control the use of all fixed assets. Once fixed assets are purchased, they must be safeguarded and accurately accounted for. Each Department must designate a Fixed Asset Custodian to provide control of fixed assets.

1.4 Tagging

The primary purpose of a tagging system is to maintain positive identification of assets owned by SCRRA. Fixed Asset Custodians are responsible for ensuring that all assets have a property tag. Tagging is important for providing an accurate method of identifying individual assets, facilitating the inventory process on a periodic basis, and controlling the location of all physical assets.

1.5 Inventory

1.5.1 Fixed Asset Custodians are responsible for coordinating a physical inventory of all fixed assets annually.

1.6 Condition Assessment

Governmental accounting standards require that a condition assessment be performed on all infrastructure assets every three years. As an approved alternative to conducting a system-wide assessment every three years, SCRRA has chosen to create a Metrolink Rehabilitation Plan (MRP) that thoroughly assesses the condition of SCRRA's key infrastructure assets. The MRP provides a "boots on the ground" approach to the scope and associated costs for both the current backlog and annual costs required to keep the railroad infrastructure at a state of good repair.

1.7 Disposition

At the end of the useful life, assets shall be disposed of by the Contracts & Procurement Department. For assets disposed of with a sales price of less than \$5,000, or purchased entirely with local funds, the revenue remains with SCRRA. For Federally funded assets



with a sale price exceeding \$10,000, the funds must be returned to the Federal Transit Authority (FTA) in proportion to the original grant.

1.8 Impairment and Insurance Recoveries

- 1.8.1 Asset impairment is a significant, unexpected decline in the service utility of a capital asset. The events or changes in circumstances that lead to impairments are not considered normal and ordinary. At the time the capital asset was acquired, the event or change in circumstance would not have been expected to occur during the useful life of the capital asset. When this happens, Metrolink will determine whether a capital asset is impaired by (a) identifying potential impairments and (b) testing for impairment.
- 1.8.2 Per GASB 42, insurance recoveries should be recognized only when realized or realizable. An insurance recovery associated with events or changes in circumstances resulting in impairment of a capital asset should be netted with the impairment loss. Restoration or replacement of the capital asset using the insurance recovery should be recorded in a separate transaction. The impairment loss should be reported net of the associated insurance recovery when the recovery and loss occur in the same year. Insurance recoveries reported in subsequent years should be reported as a program revenue, nonoperating revenue, or extraordinary items, as appropriate.

DEFINITION OF TERMS

Accumulated Depreciation – The total depreciation expense of an asset since acquisition.

Ancillary Costs – Costs in addition to purchase or construction costs, related to placing a fixed asset into its intended state of operation. Normally, ancillary costs are to be included in the capitalized costs of a fixed asset. However, minor ancillary costs may be expensed. Examples of ancillary costs include professional fees of architects, attorneys, appraisers, transportation charges, and installation costs.

Betterment – An addition made to, or change made in, a fixed asset, other than maintenance, to prolong its life or to increase its efficiency. Betterments include extraordinary repairs or improvements to an existing fixed asset.

Book Value – Value as shown in the accounting records. Book value is typically original purchase price less accumulated depreciation.

Buildings – A fixed asset reflecting the acquisition costs of a permanent structure, excluding land.



Building Improvements – Improvements pertain not only to structures, but also associated items, such as loading docks, heating and air-conditioning systems, and all other property permanently attached to, or an integral part of, the structure.

Capital Leases – A lease of an asset that treats the assets as being owned, and one of the following conditions is met: 1) ownership transfers at the end of the lease; 2) lease contains a bargain purchase price; 3) lease period is at least 75% of the asset useful life and 4) the present value of the lease payments is at least 90% of the fair market value of the asset.

Construction – All associated cumulative costs (i.e. design, survey, fixtures, etc.) related to a capital project that results in a fixed asset of the SCRRA.

Construction in Progress – A fixed asset reflecting the cost of construction work undertaken but not completed at the end of the accounting period.

Department – An organizational unit of the SCRRA.

Depreciation – The adjustment to the value of an asset through its service life due to wear and tear, deterioration, and obsolescence. In accounting for depreciation, the cost of a fixed asset is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost.

Disposition – The act of removing an asset from inventory and taking the necessary actions to sell, donate or scrap the asset.

Division – An organization unit within a department.

Eminent Domain – The power of a government to acquire private property for public purposes. It is frequently used to obtain real property that cannot be purchased from owners in a voluntary transaction.

Equipment – Durable fixed asset in an operation or an activity. This includes, but is not limited to, machinery, ticket vending machines, public announcement systems, vehicles, computers, other electronic and/or electrical devices, tools, and furnishings.

Fair Value – All tangible property owned by SCRRA such as land, buildings, and equipment, with a useful life of more than three years and costing over \$5,000. Fixed assets may be acquired by outright purchase, construction, lease purchase, installment purchase contract, transfer from another fund or agency, or by gift.

Fixed Asset Custodian – The Department employees assigned the responsibility of controlling the asset assigned to the Department.



Fixtures – Attachments to buildings that are not intended to be removed, and which cannot be removed without damage to the buildings. Those fixtures with a useful life presumed to be as long as that of the building itself are considered a part of the building; all others are classified as equipment.

Governmental Accounting Standards Board (GASB): The authoritative accounting and financial reporting standard-setting body for government entities.

Historical Cost – Original cost of an asset as distinct from the replacement cost. This would be the total cost of an asset when acquired, including ancillary asset costs.

Improvement – An addition, alteration, betterment or structured change to an asset that results in its greater durability or extended useful life.

Inventory – The process of preparing an itemized list recording land, buildings, equipment and other tangible property.

Land – A fixed asset that reflects the value of land owned by SCRRA. If land is purchased, its capitalized value is to include the purchase price plus costs such as legal fees and filing and excavation costs incurred to put the land in condition for its intended use. If land is acquired by gift, its capitalized value is to reflect its appraised value at time of acquisition. Land is not depreciated because it is not a depletable resource.

Leasehold – The right to the use of real estate by virtue of a lease, usually for a specified term of years, for which consideration is paid.

Maintenance – Day-to-day, routine, normally recurring repair and upkeep. Maintenance activities keep an asset in good working condition throughout its estimated useful life.

Reconciliation – The process of reconciling one set of records with another set of records and/or physical inventories.

Transfer – A transfer is any movement of an asset including change of location by account, department, and/or physical location.

Useful Life – The period of time over which an asset is anticipated to remain in serviceable condition.

Impairment - The temporary or permanent reduction in the carrying value (book value) of a fixed or intangible asset, occurring when its fair market value falls below its recorded book value.

RESPONSIBILITIES

Fixed Asset Custodian is responsible for all aspects of controlling a fixed asset assigned to the Department, including:



- Ensuring that an accurate inventory of fixed assets is maintained
- Coordinating the annual inventory of fixed assets for the Department
- Monitoring all movements of assets ~~and completing the Asset Transfer form~~
- Reporting any loss or theft of fixed assets
- Reporting the retirements of assets
- Applying and replacing fixed asset tags or bar codes

Fixed Asset Accountant is responsible for:

- reviewing all material transfer and retirement reports and ensuring that the appropriate adjustments are made in the fixed asset records.
- observing any or all phases of the annual physical inventory of fixed assets.
- reconciling the annual fixed asset physical inventory with the fixed asset records.
- recording depreciation subsequent to the annual physical inventory and any book to physical adjustment.

Contracts and Procurements is responsible for disposing of all retired assets.

Assistant Director of Finance, in coordination with the Department Directors, is responsible for reviewing and approving the early retirement of fixed assets.

Chief Executive Officer (CEO) is responsible for reviewing and approving the early retirement of fixed assets with a remaining book value exceeding \$25,000.

REFERENCES

FIN-4.2 /Metrolink Rehabilitation Plan

POLICY HISTORY

January 28, 2005 – New Policy and Procedures document approved

February 26, 2021- Revised Policy and removed Procedures from document

April 24, 2026 – Revised policy to include impairment and insurance proceeds language

Approvals		
Department Chief	Legal Counsel	Chief Executive Officer







***Southern California Regional Rail Authority
Finance Policies***

TITLE: Fixed Assets	NO. FIN – 4.1
ORIGINATING UNIT: Finance Department	
EFFECTIVE DATE: February 26, 2021 <u>April 24, 2026</u>	REVISION: 31 <u>32</u>

PURPOSE

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~~1.7.1~~1.8.2 Per GASB 42, insurance recoveries should be recognized only when realized or realizable. An insurance recovery associated with events or changes in circumstances resulting in impairment of a capital asset should be netted with the impairment loss. Restoration or replacement of the capital asset using the insurance recovery should be recorded in a separate transaction. The impairment loss should be reported net of the associated insurance recovery when the recovery and loss occur in the same year. Insurance recoveries reported in subsequent years should reported as a program revenue, nonoperating revenue, or extraordinary items, as appropriate.

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- Coordinating the annual inventory of fixed assets for the Department
- Monitoring all movements of assets ~~and completing the Asset Transfer form~~
- Reporting any loss or theft of fixed assets
- Reporting the retirements of assets and ~~completing the Authorization for Retirement form~~
- Applying and replacing fixed asset tags or bar codes

Fixed Asset Accountant is responsible for:

- reviewing all material transfer and retirement reports and ensuring that the appropriate adjustments are made in the fixed asset records.
- observing any or all phases of the annual physical inventory of fixed assets.
- reconciling the annual fixed asset physical inventory with the fixed asset records.
- recording depreciation subsequent to the annual physical inventory and any book to physical adjustment.

Contracts and Procurements is responsible for disposing of all retired assets.

Director of Finance, in coordination with the Department Directors is responsible for reviewing and approving the early retirement of fixed assets.

Chief Executive Officer (CEO) is responsible for reviewing and approving the early retirement of fixed assets with a remaining book value exceeding \$25,000.

REFERENCES

FIN-4.2 /Metrolink Rehabilitation Plan

POLICY HISTORY

January 28, 2005 – New Policy and Procedures document approved

February 26, 2021- Revised Policy and removed Procedures from document

April 24, 2026 – Revised policy to include impairment and insurance proceeds language

Approvals		
Department Chief	Legal Counsel	Chief Executive Officer

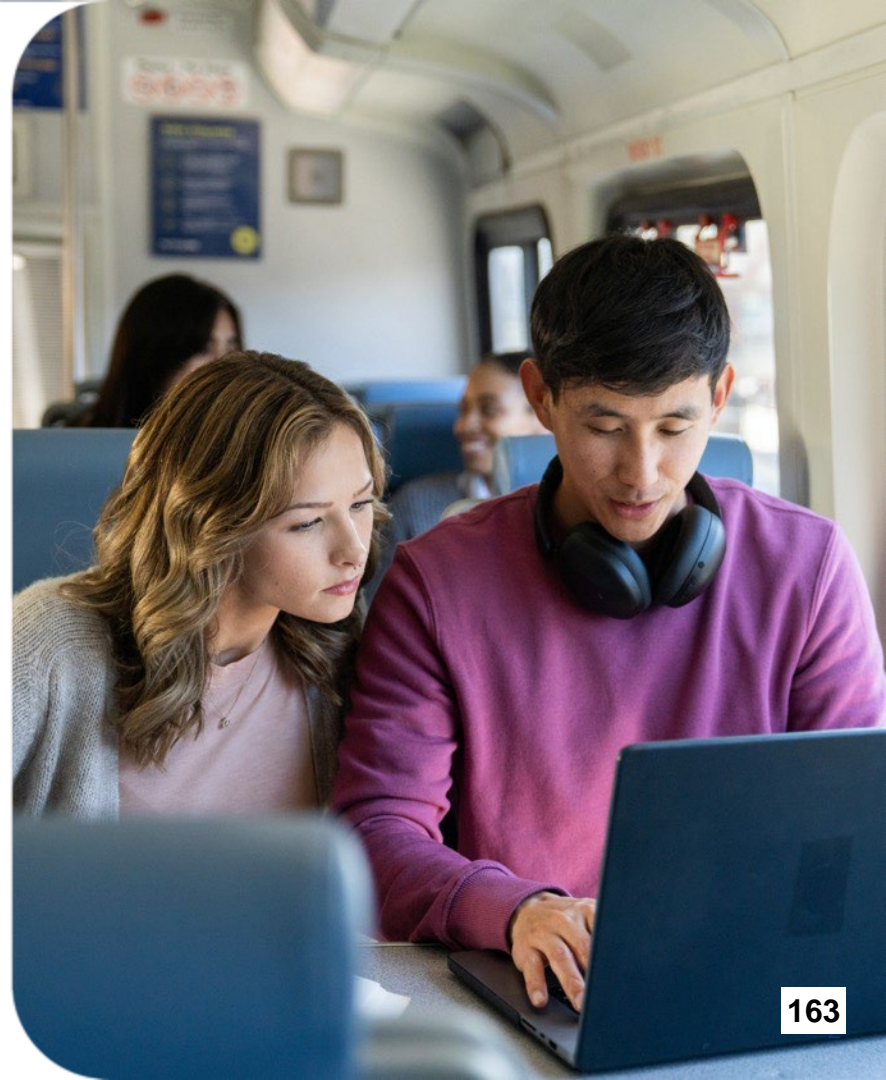


METROLINK

Adoption of Revised Finance Policy FIN 4.1 – Fixed Assets

FIN4.1 – Fixed Assets

- Background
 - Metrolink manages a portfolio of fixed assets such as rail infrastructure, rolling stock, facilities, equipment, and technology systems.
- Issue
 - Per an external audit finding, staff is proposing an update to the policy to provide guidance on impairment and receipt of insurance proceeds related to impairment.



Recommendation

- It is recommended that the Board approve the proposed revisions to FIN 4.1 – Fixed Assets.
- The revisions would become effective upon Board approval.





METROLINK

Thank you.



ITEM ID: 2026-145-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: Grants Quarterly Update - 3rd Quarter, FY 2026

Issue

Staff is providing an update of grant acquisition, reprogramming and closeout activity for the period of January 1 to March 31, 2026.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing our over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. Seeking external grant funding helps to ensure reliable funding sources for maintaining the railroad in a state of good repair and adding capacity for increased reliability and future growth while reducing reliance on Member Agency contributions.

Background

The Authority applies for grants from federal, state, regional and local entities to assist in funding its preventive maintenance, rehabilitation and new capital programs. These programs are comprised of projects that rehabilitate, enhance and expand the Metrolink rail system.

This report focuses exclusively on federal, state and regional-level grant acquisition, reprogramming and closeout activities undertaken by staff for the purposes of supporting the preventive maintenance, rehabilitation, and new capital programs. It pertains to grants that the Authority has secured through a formal application process and for which the Authority has a direct reporting relationship to the federal, state, or regional level granting agency.

Discussion

Grant Activity Summary for January 1 to March 31, 2026

<i>Acquired (1)</i>	<i>Reprogrammed (1)</i>	<i>Closed (0)</i>
----------------------------	--------------------------------	--------------------------

\$4,205,343	\$76,621	-
-------------	----------	---

The Authority currently manages 39 active federal grants totaling \$681.5 million, 20 active state grants totaling \$1.281 billion, and two active regional grants totaling \$146.7 million for a total portfolio of \$2.1 billion.

- Federal grants are summarized in Appendix A
- State grants are summarized in Appendix B
- Regional grants are summarized in Appendix C

Grant Activity Discussion

Acquisition

The California Department of Transportation (Caltrans) awarded the Authority \$4,205,343 through the Low Carbon Transit Operations Program (LCTOP) to support the Student Discount program for Fiscal Year 2026.

Reprogramming

Reprogramming of projects from previously approved Rehabilitation and Capital Program budgets occurs when projects are completed with savings or when deferred or canceled projects cannot utilize the funds in a timely manner. One reprogramming transaction was completed during the quarter, comprised of \$29,193 in federal, \$11,034 in state, and \$36,395 in local funds.

Closure

Staff did not close any grants during the quarter.

Next Steps

Staff will continue to report quarterly on the status of the agency's grant portfolio.

Prepared by: Jennifer Farinas, Manager, Grants

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

Appendix A - Federal Grant Activity Summary FY26 Q3
Appendix - B - State Grant Activity Summary FY26 Q3
Appendix C - Regional Grant Activity Summary FY26 Q3
Presentation - Grants Summary

**APPENDIX A
FEDERAL GRANTS**

GRANT PROGRAM	CURRENT PRIMARY GRANT USE	TOTAL GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE March 31, 2026
Section 5309	Orange Sub Signal Rehab	\$ 5,258,845	5,214,247	\$ 44,598
Section 5309	Non-Revenue Vehicles & Equipment, Orange Sub Signal Rehab	\$ 46,258,740	45,999,701	\$ 259,039
Section 5309	Signal and communication improvements and locomotive replacement	\$ 8,891,620	8,869,261	\$ 22,359
Section 5309	Locomotive replacement and rail car overhaul	\$ 21,228,712	21,187,159	\$ 41,553
Section 5337	Locomotive replacement and rail car overhaul	\$ 31,591,144	31,435,414	\$ 155,730
Section 5307	Locomotive replacement	\$ 12,106,922	11,885,827	\$ 221,095
Section 5307	Locomotive replacement and PTC	\$ 7,001,915	6,898,036	\$ 103,879
Section 5307	Locomotive replacement, signal and communication improvements	\$ 8,173,372	8,173,317	\$ 55
Section 5337 & 5307	FY 2017 Metrolink System Rehabilitation & Fare Collection System Upgrade	\$ 84,770,455	70,662,095	\$ 14,108,360
Section 5337	5337 - Metrolink High Priority State of Good Repair, including slope stabilization and tie replacement on the Orange Subdivision	\$ 8,867,332	8,602,244	\$ 265,088
Section 5307	Metrolink Passing Siding in South Orange County	\$ 2,556,000	2,556,000	\$ -
CMAQ	Metrolink Anaheim Canyon Station Improvements	\$ 10,000,000	10,000,000	\$ -
Section 5307	San Fernando Road Bike Path Signal Implementation	\$ 5,312,000	4,981,139	\$ 330,861
Section 5337	FY21 Metrolink Rehabilitation	\$ 19,022,852	12,626,637	\$ 6,396,215
Section 5337	San Juan Creek Bridge Replacement	\$ 35,724,000	35,654,423	\$ 69,577
Section 5337	FY22 Metrolink Rehabilitation	\$ 20,150,817	14,792,919	\$ 5,357,898
Section 5337	FY23 Metrolink Rehabilitation	\$ 45,975,523	18,845,100	\$ 27,130,423
Community Project Funding / Congressionally Directed Spending	Antelope Valley Line State of Good Repair	\$ 3,000,000	2,663,974	\$ 336,026
CMAQ	Arrow Commuter Rail Service	\$ 25,000,000	20,477,051	\$ 4,522,949
FEMA Transit Security Grant Program	Cybersecurity / Security Data Network	\$ 1,399,950	1,362,771	\$ 37,179
FRA CRISI	Upscaling Key PTC Onboard and Wayside Components	\$ 9,944,000	9,429,934	\$ 514,066
FRA CRISI	Leveraging PTC to Increase Capacity and Reduce Headways and Alternative Vendor Analysis	\$ 3,150,000	1,226,068	\$ 1,923,932
FRA CRISI	Burbank Corridor Speed & Safety Improvements	\$ 10,746,091	1,003,566	\$ 9,742,525
FRA CRISI	Burbank Corridor Speed & Safety Improvements (Supplemental)	\$ 7,634,757	-	\$ 7,634,757
FRA Fed-State Partnership	Rehabilitation of Four Rural Bridges	\$ 6,750,000	239,847	\$ 6,510,153
FRA Fed-State Partnership	Pacific Surfliner Corridor Rehabilitation and Service Reliability	\$ 31,800,000	326,284	\$ 31,473,716
FRA CRISI	Fullerton Junction Interlocking Project	\$ 30,000,000	-	\$ 30,000,000

**APPENDIX A
FEDERAL GRANTS**

GRANT PROGRAM	CURRENT PRIMARY GRANT USE	TOTAL GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE March 31, 2026
FRA Trespassing Enforcement	Hot Spot Trespassing Enforcement Operations	\$ 112,795	76,287	\$ 36,508
FHWA Commuter Authority Rail Safety Improvements	Rail-Highway Crossing Improvements City of El Monte	\$ 14,771,250	-	\$ 14,771,250
FHWA Commuter Authority Rail Safety Improvements	3 Rail-Highway Crossing Improvements Cities of Simi Valley & Los Angeles	\$ 12,525,834	-	\$ 12,525,834
USDOT Strengthening Mobility and Revolutionizing Transportation (SMART)	Intrusion Detection Planning/Prototyping	\$ 1,300,000	-	\$ 1,300,000
Community Project Funding / Congressionally Directed Spending	Wireless Crossing Nearside Station Stop (WCNSS) Installation	\$ 1,600,000	-	\$ 1,600,000
Community Project Funding / Congressionally Directed Spending	Intrusion Detection Planning/Prototyping	\$ 1,000,000	-	\$ 1,000,000
Surface Transportation Block Grant	San Clemente Emergency Track Stabilization	\$ 1,500,000	49,990	\$ 1,450,010
Section 5337	FY23 Metrolink Rehabilitation (RCTC Share)	\$ 7,824,945	3,738,259	\$ 4,086,686
Section 5307	FY23 Metrolink Rehabilitation (RCTC Share)	\$ 1,932,605	142,606	\$ 1,789,999
Section 5307 and 5337	FY24 Metrolink Rehabilitation	\$ 65,287,356	8,326,449	\$ 56,960,907
CMAQ	Locomotive Replacement	\$ 2,120,750	-	\$ 2,120,750
Section 5307 and 5337	FY25 Metrolink Rehabilitation	\$ 69,217,239	894,064	\$ 68,323,175
TOTAL		\$ 681,507,821	\$ 368,340,670	\$ 313,167,151

APPENDIX B				
STATE GRANTS				
GRANT PROGRAM	CURRENT PRIMARY GRANT USE	TOTAL GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE March 31, 2026
Prop 1A High Speed Rail Commuter Rail Connectivity	Rail Car Overhaul	20,207,000	19,162,943	1,044,057
State Cap and Trade Low Carbon Transportation Operations Program	Mobility-4-All Program / Student Adventure Pass	3,996,765	3,996,765	-
State Rail Assistance Program (FY18-20)	Track and signal upgrades at Los Angeles Union Station	11,083,638	10,500,000	583,638
State Rail Assistance Program (FY21-25)	Track and signal upgrades at Los Angeles Union Station	17,618,760	16,312,586	1,306,174
State Transit and Intercity Rail Program (Cycle 3, 2018)	SCORE Phase 1 Projects Led by Metrolink	403,919,000	138,969,668	264,949,332
State Transit and Intercity Rail Program (Cycle 3, 2018)	SCORE Phase 1 Projects Led by Member Agencies	471,789,000	N/A*	471,789,000
State Transit and Intercity Rail Program (Cycle 4, 2020)	Antelope Valley Line Capital & Service Improvements Led by Metrolink	62,200,000	-	62,200,000
State Transit and Intercity Rail Program (Cycle 4, 2020)	Antelope Valley Line Capital & Service Improvements Led by Metro	44,850,000	N/A*	44,850,000
State Transit and Intercity Rail Program (Cycle 5, 2022)	Perris Valley Line Capacity Improvements Led by RCTC	25,042,000	N/A*	25,042,000
FHWA Section 130	Palmdale Avenue P Safety Improvements	1,652,000	264,408	1,387,592
FHWA Section 130	Lancaster Avenue K Safety Improvements	1,077,000	202,075	874,925
FHWA Section 130	Lancaster Avenue J Safety Improvements	1,720,000	209,764	1,510,236
FHWA Section 130	Lancaster Avenue M Safety Improvements	990,000	205,512	784,488
FHWA Section 130	Palmdale Avenue R Safety Improvements	540,000	78,840	461,160
FHWA Section 130	50LR305- SECTION 130- NEWHALL AVE	682,500	7,653	674,847
Affordable Housing & Sustainable Communities	Signal Respacing in Orange County	8,000,000	5,080,284	2,919,716
State Transit and Intercity Rail Program (Cycle 6, 2023 Existing Projects)	El Monte Siding & Station Improvements; Fullerton Junction Reconfiguration & Fullerton to Esperanza 3rd Track; Simi Valley Double Track	106,900,000	-	106,900,000
State Transit and Intercity Rail Program (Cycle 6, 2023 New Projects)	Locomotive Modernization Study, Pilot and Implementation	10,000,000	-	10,000,000
State Cap and Trade Low Carbon Transportation Operations Program	Student Adventure Pass	3,999,537	3,999,537	-
State Transit and Intercity Rail Program (Cycle 7, 2024 New Projects)	Eastern Maintenance Facility Development	44,796,000	-	44,796,000
State Cap and Trade Low Carbon Transportation Operations Program	Student Adventure Pass	5,087,466	5,087,466	-
State Cap and Trade Low Carbon Transportation Operations Program	Student Youth Discount	4,205,343	1,806,591	2,398,752
TOTAL		1,280,527,603	1,250,356,009	1,074,721,896

* Billing activities are performed by other agencies. This information is not currently available.

APPENDIX C

REGIONAL GRANTS

GRANT PROGRAM	CURRENT PRIMARY GRANT USE	TOTAL GRANT AMOUNT	AMOUNT REIMBURSED	REMAINING BALANCE March 31, 2026
AQMD Carl Moyer FY23	Zero-Emission Locomotives	59,297,258	-	59,297,258
AQMD Carl Moyer FY23	Tier 4 Locomotives*	87,447,233	-	87,447,233
TOTAL		146,744,491	-	146,744,491

* Contingent Award



METROLINK

Grants Quarterly Update

3rd Quarter, Fiscal Year 2026



Grants Quarterly Update

From January 1 to March 31, 2026

- \$4.2 million acquired
 - LCTOP funds to support the FY26 Student/Youth Discount.
- \$76,621 in reprogrammed funds for 1 project
- No grants closed
- \$2.1 billion total portfolio



METROLINK

Thank you.



ITEM ID: 2026-182-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Elisabeth Lazuardi, Director, Audit

SUBJECT: Internal Audit Department Quarterly Update for Q3 FY 2026

Issue

The Internal Audit Department (Internal Audit) provides quarterly updates on internal and external audits and other activities. This item represents the third quarter of FY 2026 (January 1, 2026, to March 31, 2026).

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics, and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. By formally communicating updates on the progress of the FY 2026 Annual Audit Plan, the status of internal audits, and other audit activities on a periodic basis, we are providing a snapshot of the Authority's ongoing efforts to improve business processes.

Background

The Internal Audit Charter requires the presentation of a quarterly progress report of the Annual Audit Plan to the Chief Executive Officer (CEO) and Board of Directors.

Discussion

Internal Audit Activities

- A. The FY 2026 Annual Audit Plan Update as of December 31, 2025 (Attachment A) is included with this report.
- B. CEO Special Requests: Assisting the Safety, Security, and Compliance Department in completing the System Safety Program internal safety audits as required by the 49 CFR Part 270. The Board approved Internal Audit Policy IA-1.1 allows the CEO to request Internal Audit to review projects, programs, or activities. Internal Audit completed the Safety Assurance module in March 2026. Due to the sensitive security nature of the safety audit, the report will be provided limited to the Chief Safety, Security, and Compliance Officer and the CEO.
- C. Internal Audit Charter, Policies & Procedures, Handbook Update: IA follows two sets of professional standards: the Government Accountability Office's (GAO) Generally Accepted Government Auditing Standards (GAGAS) and the Institute of Internal Auditors' (IIA) Global Internal Audit Standards. The recent revision to the Institute of Internal Auditors' (IIA) Global Internal Audit Standards requires updates to our Board approved Internal Audit Charter, Internal Audit Policies & Procedures, and the Internal Audit Handbook to ensure alignment with the new standards. The updated Charter and Policies & Procedures was presented to and approved by the Board on March 27, 2026.
- D. External Quality Control Review (Peer Review): The auditing professional standards (the standards) require for IA to be peer reviewed independently once every three years. The standards require IA obtain a peer review by a qualified, independent assessment team from outside the organization to provide reasonable assurance of IA's compliance and conformance with the standards. IA sought the assistance of the Association of Local Government Auditors (ALGA) to perform the peer review. The peer review was completed with no findings and was presented to the Board on March 27, 2026.

External Audit Activities

- A. FY 2025 Annual Comprehensive Financial Report (ACFR) and Single Audit. The ACFR and the Single Audit have been completed and were presented to the Board on February 27, 2026. Corrective actions for the audit findings are separately tracked in the quarterly Corrective Action Status report.
- B. The Los Angeles County Metropolitan Transportation Authority (LACMTA) Memorandum of Understanding (MOU) Audit: The Authority and LACMTA entered MOU No. 9400000000SCRA2025 (SCRA 2025) to provide funding to the Authority during FY 2024-2025 for LACMTA's financial commitments for the FY 2024-2025 budget as required by the Joint Powers Agreement (JPA). The compliance audit of MOU No. SCRA 2025 between the Authority and the LACMTA is completed (Attachment B). Corrective actions for the audit findings are separately tracked in the quarterly Corrective Action Status report.
- C. FTA Triennial Review: The Federal Transit Administration (FTA) is conducting the FY2026 Triennial Review to assess the Authority's administration of FTA-funded programs and compliance with applicable requirements. The period of review covers activities from the issuance of the 2023 Triennial Review Final Report through the 2026 review exit conference. Internal Audit coordinated across the agency to gather all requested Recipient Information Request (RIR) materials and submitted the complete package to the external FTA contractor, Tuba Group, Inc. The review is being conducted

using the FY2026 FTA Contractor's Manual as the controlling criteria. The review will include an on-site visit, currently scheduled for **August 19–21, 2026**. Internal Audit continues to coordinate with departments to support follow-up requests and ensure readiness for the review.

Next Steps

Internal Audit will continue reporting quarterly on internal and external audits and other activities.

Prepared by: Andrew Hong, Senior Auditor

Approved by: Elisabeth Lazuardi, Director, Audit

Attachment(s)

[Attachment A - FY26 Q3 IA Status Update](#)

[Attachment B - LACMTA MOU Audit Report FYE 2025](#)

[Presentation - Q3 FY2026 IA Status Update](#)

**SCRRA INTERNAL AUDIT DEPARTMENT
FY 2026 Q3 Audit Plan Update**

Ref #	Audit Activity	Preliminary Objective	Auditable Unit	(A) Planned Staff Hours	(B) Staff Hours FY2026 YTD	(C)=(A)-(B) Under (Over)	Status
FY 2026 NEW AUDITS							
1	FY 2026 Fuel Purchase Program (Annual Audit)	Evaluate compliance to the Board approved Fuel Purchase Policy FIN-11.1 and identify best practices recommendations to the policy. *Outsourced	Finance, Fuel Management	50	0	50	Not Initiated Target Initiation Date: June 2026
2	SCORE - Grant Compliance	Evaluate oversight for grant compliance for the Southern California Optimized Rail Expansion (SCORE) program *Co-sourced	SCORE, PMO, Grants, Business Ops	400	64	336	In progress - Planning Target Completion Date: July 2026
3	Non revenue fleet management	Evaluate compliance to the applicable policy/ procedures and adequacy of oversight	Facilities and Fleet Maintenance	300	80	220	In progress - Fieldwork Target Completion Date: June 2026
4	Materials Management - inventory obsolescence	Evaluate processes to identify, monitor, and manage obsolete, excess, or inactive inventory in a timely manner	Materials Management, Finance	500	263	237	In progress - Reporting Target Completion Date: May 2026
5	Travel & business expense reimbursement	Evaluate compliance to the policy & procedures and identify policy gap	Finance and Human Resources	500	266	234	In progress - Fieldwork Target Completion Date: April 2026 May 2026
CARRIED FORWARD AUDITS FROM FY 2025							
6	FY2025 Fuel Purchase Program (Annual Audit)	Evaluate compliance to the Board approved Fuel Purchase Policy FIN-11.1 and identify best practices recommendations to the policy. *Outsourced	Finance, Fuel Management	50	41	9	Completed
7	Contract Expiration Performance Audit	Evaluate whether contracts are administered effectively to prevent contract overruns and ordering from expired contracts. *Co-sourced	Contracts Administration	300	381	-81	Completed - Corrective action tracking
8	Contract OP151-21 Amtrak Management Audit	Evaluate efficiency and effectiveness of contract management process for Contract OP151-21. *Co-sourced	Operations, Contracts Administration	40	0	40	Completed (in FY 2025)- Corrective action tracking
9	Third-party agreements (TPA) projects administration	Evaluate the adequacy and effectiveness of Third-Party projects oversight	Program Delivery, Finance	300	708	-408	Completed - Corrective action tracking
ONGOING ENGAGEMENTS							
10	Pre-award & Incurred Cost Analysis	Contract cost analysis requested by CPMM related to proposed costs, incurred costs, contract closeouts, or other matters as needed. *Outsourced	Various cost proposals & contracts incurred costs	250	23	227	On Going
Total Hours (Internal Audits + Cost Analysis)				2690	1826	864	



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**Southern California Regional Rail Authority (SCRRA)
Metrolink Program by SCRRA
*Schedule of Operating Revenues and Expenditures
and Supplementary Information
Under MOU No. 9400000000SCRA2025 (SCRA2025)
Year Ended June 30, 2025
with Independent Auditor's Report***

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FINANCIAL SECTION



Independent Auditor's Report

To the Board of Directors of the
Los Angeles County Metropolitan Transportation Authority (Metro)

Report on the Audit of the Statement of Operating Revenues and Expenditures

Opinion

We have audited the Schedule of Operating Revenues and Expenditures (the Schedule) of the Metrolink Program (the Program) under Memorandum of Understanding 9400000000SCRA2025 (MOU No. SCRA2025) between the Southern California Regional Rail Authority's (SCRRA) and the Los Angeles County Metropolitan Transportation Authority (Metro) for the year ended June 30, 2025, and the related notes to the Schedule.

In our opinion, the accompanying Schedule referred to above present fairly, in all material respects, the revenue and expenses of the Metrolink Program under MOU No. SCRA2025 for the year ended June 30, 2025, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of SCRRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

The Schedule is intended to reflect only the operating subsidies received from Metro, and the allocated revenues and expenditures of Metrolink based on the schedule of allocation by county as defined by MOU No. SCRA2025 between SCRRA and Metro and the SCRRA Adopted Budget for the year ended June 30, 2025, and do not purport to, and do not present fairly SCRRA's changes in financial position for the year ended June 30, 2025 in accordance with accounting principles generally accepted in the United States of America.



Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SCRRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Supplementary Information

The supplementary information on pages 33 through 40 as required by the MOU is presented for additional analysis and is not a required part of the Schedule. Such information is the responsibility of management. We have applied certain limited procedures to the supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the Schedule, and other knowledge we obtained during our audit of the Schedule. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2026 on our consideration of SCRRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of SCRRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SCRRA's internal control over financial reporting and compliance.

Vasquez & Company LLP

Glendale, California
February 28, 2026

Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025

Operating Revenues	
Fares	\$ 23,600,692
Dispatching	1,356,071
Maintenance-of-Way (MOW)	2,283,555
Miscellaneous	<u>6,729,552</u>
Total operating revenues	<u>33,969,870</u>
 Operating Expenses	
Train operations and services	92,962,111
Maintenance-of-Way (MOW)	30,662,655
Administration and services	23,887,067
Personal liability/property damage	10,105,810
Mobilization	4,274,092
Student adventure pass member support	1,640,600
Contingency	<u>11,433</u>
Total operating expenses	<u>163,543,768</u>
Operating Loss Before Other Revenue	<u>(129,573,898)</u>
 Other Revenue	
Unbudgeted special trains	<u>60,563</u>
Total other revenue	<u>60,563</u>
Loss Before Subsidies	<u>(129,513,335)</u>
 Subsidies Received from Metro (Note 3)	
Operating subsidies	113,223,023
Self-insurance subsidy	<u>23,236,807</u>
Total subsidies received from Metro	<u>136,459,830</u>
Net Income	<u><u>\$ 6,946,495</u></u>

Note: Metro's share in the capital expenditures is presented separately in Note 4.

See accompanying notes to schedule of revenues and expenditures.

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025**

NOTE 1 ORGANIZATIONAL PROFILE

Southern California Regional Rail Authority (SCRRA or Authority) is an independent entity created in August 1991 through a joint exercise of powers agreement (JPA). SCRRA began operating the “Metrolink” regional commuter rail system in October 1992. The member agencies of the JPA are (1) Los Angeles County Metropolitan Transportation Authority (Metro), (2) Orange County Transportation Authority (OCTA), (3) Riverside County Transportation Commission (RCTC), San Bernardino County Transportation Authority (SBCTA), and (4) Ventura County Transportation Commission (VCTC). The member agencies acquired the rail network in existence at the time the JPA was established for use in Metrolink’s commuter rail operations. This railroad network is not included as part of SCRRA’s railroad network capital assets. The member agencies retain title to and ownership of those assets. As part of the JPA, SCRRA is responsible for the related maintenance and operation of members’ assets and rail right-of-way used in operations.

In addition, certain members retain responsibility to maintain segments of their railroad network. The Metrolink railroad network consists of capital assets created as a result of new capital construction and major capital improvement projects. Currently, there are 538 route miles with 62 stations in the Metrolink system throughout Los Angeles, Orange, Riverside, San Bernardino, Ventura, and San Diego counties.

SCRRA is governed by a Board of Directors comprised of 11 members appointed by the voting members of the JPA. The member agencies with their respective number of votes are as follows:

Los Angeles County Metropolitan Transportation Authority (Metro)	4
Orange County Transportation Authority (OCTA)	2
Riverside County Transportation Commission (RCTC)	2
San Bernardino County Transportation Authority (SBCTA)	2
Ventura County Transportation Commission (VCTC)	1

SCRRA is not considered to be a component unit of any other reporting entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Revenues and expenditures are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Revenue Recognition

SCRRA receives approximately 20% of its operational funding from fares and other operating revenues, and the balance of its funding comes from its member agencies. The majority of sources for transportation funds in these counties are local sales taxes (with the exception of Ventura County), State Rail Bond funds, State Transit Assistance funds, State Highway Account funds, State Transit Capital Improvement funds, and Federal Transit Administration Capital funds.

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Methods of Allocation

Operating revenues and expenses are allocated based on ridership, train miles of service, route miles dispatched, unduplicated route miles, and other basis as defined in the joint exercise of powers agreement, the cost-sharing formula adopted by the member agencies of the Authority, and SCRRA's adopted budget for the year ended June 30, 2025. See also Schedule III - Methods of Allocation Used and the Types of Revenues and Expenses.

NOTE 3 MEMORANDUM OF UNDERSTANDING (MOU)

SCRRA (grantee) and Metro (grantor) entered into MOU No. 9400000000SCRA2025 (SCRA2025), which is effective beginning July 1, 2025 through June 30, 2029, for the purpose of providing funding to SCRRA during the fiscal year (FY) 2024/2025 for Metro's financial commitments to the FY 2024/2025 budget as required by the JPA. Metro's Board of Directors approved its financial commitments at its May 6, 2024 board meeting.

In accordance with the MOU, Metro made available to SCRRA the following allocation of funds (Funds) for Metro's share of the FY 2024/2025 budget in the amounts of:

- a. \$136,459,830 for commuter rail operations, using new Proposition C 10%. SCRRA was paid according to the following schedule, unless altered by mutual written agreement;

July 15, 2024	\$ 41,787,401
October 1, 2024	31,557,476
January 1, 2025	31,557,476
April 1, 2025	<u>31,557,477</u>
	<u>\$ 136,459,830</u>

- b. \$70,373,350 for new State of Good Repair and new capital projects as specified in the MOU, using Measure R 3% funds to be expended over a five-year period through FY2028-29;
- c. \$2,920,232 for Metro owned Right-of-Way maintenance beyond the 20' center from track, using Proposition C 40% funds, which can be used in part to hire a Metrolink full time employee.

The FY 2024/2025 member subsidy invoiced to Metro of \$136,459,830 reported in the Schedule of Operating Revenues and Expenditures is part of the above funds allocated to SCRRA.

Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025

NOTE 3 MEMORANDUM OF UNDERSTANDING (MOU) (CONTINUED)

Details of the receipts and uses of funds for the year ended June 30, 2025 are as follows:

Fund	Description	[a] Approved Funding	[b] Receipts	[c] Reprogrammed	[a - b - c] Funding Balance	[d] Expenditures	[e] Application of Surplus	[(b + c) - d + e] Net Surplus/ (Deficit)
Prop C 10%	Operations	\$ 136,459,830	\$ 136,459,830	\$ -	\$ -	\$ 129,513,335	\$ -	\$ 6,946,495
Prop C 40%	Right-of-Way							
	Maintenance	2,920,232	777,191	-	2,143,041	2,040,688	-	(1,263,497)
Measure R 3%	Rehabilitation and Renovation	70,373,350	-	-	70,373,350	671,801	-	(671,801)
		<u>\$ 209,753,412</u>	<u>\$ 137,237,021</u>	<u>\$ -</u>	<u>\$ 72,516,391</u>	<u>\$ 132,225,824</u>	<u>\$ -</u>	<u>\$ 5,011,197</u>

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025**

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING

Details of the receipts and uses of funds of prior years' open MOUs are as follows:

MOU# P0SCRRA2024			[a]	[b]	[c]	[a - b - c]	[d]	[e]	[(b + c) - d + e]
Fund	Description	Year	Approved Funding	Receipts	Reprogrammed	Funding Balance	Expenditures	Application of Surplus	Net Surplus/ (Deficit)
Prop C 10%	Operations	2024	\$ 126,410,472	\$ 128,093,315	\$ 1,584,255 ^a	\$ (3,267,098)	\$ 114,630,100	\$ -	\$ 15,047,470
		2025	-	-	-	-	-	(14,099,806) ^b	(14,099,806)
		2025	-	-	-	-	-	(11,167) ^c	(11,167)
		2025	-	-	-	-	-	(154,953) ^d	(154,953)
		2025	-	-	-	-	-	(75,579) ^e	(75,579)
		2025	-	-	-	-	-	(293,662) ^f	(293,662)
		2025	-	-	-	-	-	-	-
						<u>(3,267,098)</u>		<u>412,303</u>	
Measure R 3%	Rehabilitation and Renovation	2024	72,989,847	-	-	72,989,847	175,874	-	(175,874)
		2025	-	1,604,007	-	<u>(1,604,007)</u>	2,748,900	-	<u>(1,144,893)</u>
						<u>71,385,840</u>			<u>(1,320,767)</u>
			<u>\$ 199,400,319</u>	<u>\$ 129,697,322</u>	<u>\$ 1,584,255</u>	<u>\$ 68,118,742</u>	<u>\$ 117,554,874</u>	<u>\$ (14,635,167)</u>	<u>\$ (908,464)</u>

^a Application of FY22/23 surplus for Oxnard Settlement Reprogramming.

^b Return of the unused operating surplus to Metro.

^c Application of FY23/24 surplus for Burbank Airport Station Cleaning and Trash Pick-up.

^d Application of FY23/24 surplus for SBL 25%

^e Application of FY23/4 surplus for FY21/22 LA County Right of Way (ROW) maintenance outside 20 feet in excess of the Maintenance MOU funding.

^f Application of deferred revenue already in SCRRA's possession.

Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING (CONTINUED)

<u>MOU# P0SCRRA2023</u>			[a]	[b]	[c]	[a - b - c]	[d]	[e]	[(b + c) - d + e]
<u>Fund</u>	<u>Description</u>	<u>Year</u>	<u>Approved Funding</u>	<u>Receipts</u>	<u>Reprogrammed</u>	<u>Funding Balance</u>	<u>Expenditures</u>	<u>Application of Surplus</u>	<u>Net Surplus/ (Deficit)</u>
Prop C 10%	Operations	2023	\$ 120,454,842	\$ 117,951,427	\$ -	\$ 2,503,415	\$ 107,447,222	\$ (1,195,200) ^a	\$ 9,309,005
		2024	-	-	-	-	-	(1,584,255) ^b	(1,584,255)
		2024	-	-	-	-	-	(6,552) ^c	(6,552)
		2024	-	-	-	-	-	(6,333,682) ^d	(6,333,682)
		2024	-	-	-	-	-	(8,596) ^e	(8,596)
		2024	-	-	-	-	-	(149,008) ^f	(149,008)
		2025	-	-	-	-	-	(1,226,912) ^g	(1,226,912)
						<u>2,503,415</u>		<u>-</u>	
Measure R 3%	Rehabilitation and Renovation	2023	50,725,283	-	-	50,725,283	470	-	(470)
		2024	-	604,782	-	(604,782)	1,268,923	-	(664,141)
		2025	-	14,449,171	-	(14,449,171)	16,458,092	-	(2,008,921)
							<u>35,671,330</u>		<u>(2,673,532)</u>
			<u>\$ 171,180,125</u>	<u>\$ 133,005,380</u>	<u>\$ -</u>	<u>\$ 38,174,745</u>	<u>\$ 125,174,707</u>	<u>\$ (10,504,205)</u>	<u>\$ (2,673,532)</u>

- ^a Application of FY22/23 surplus against FY21/22 deficit.
- ^b Application of FY22/23 surplus for Oxnard Settlement Reprogramming.
- ^c Application of surplus for Burbank MLK Station Cleaning and Trash Pick-up.
- ^d Return of the unused operating surplus to Metro.
- ^e Application of surplus for Burbank Airport Station Cleaning and Trash Pick-up.
- ^f Application of deferred revenue already in SCRRA's possession.
- ^g Return of the unused operating surplus to Metro.

**Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025**

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING (CONTINUED)

<u>MOU# P0SCRRRA2022</u>			[a]	[b]	[c]	[a - b - c]	[d]	[e]	[(b + c) - d + e]
<u>Fund</u>	<u>Description</u>	<u>Year</u>	<u>Approved Funding</u>	<u>Receipts</u>	<u>Reprogrammed</u>	<u>Funding Balance</u>	<u>Expenditures</u>	<u>Application of Surplus</u>	<u>Net Surplus/ (Deficit)</u>
Prop C 10%	Operations	2022	\$ 98,379,438	\$ 98,379,438	\$ -	\$ -	\$ 102,740,371	\$ -	\$ (4,360,933)
		2023	-	-	-	-	-	1,907,700 ^a	1,907,700
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
Prop C 10%	Track and Signal Mobilization Cost	2022	1,548,164	-	-	1,548,164	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
							<u>1,548,164</u>		
Measure R 3%	Rehabilitation and Renovation	2022	33,349,794	-	9,349,794 ^b	24,000,000	-	-	9,349,794
		2023	-	3,254,984	-	(3,254,984)	480,748	-	2,774,236
		2024	-	7,493,634	-	(7,493,634)	9,619,550	-	(2,125,916)
		2025	-	9,132,168	-	(9,132,168)	7,406,200	-	1,725,968
							<u>4,119,214</u>		
			<u>\$ 133,277,396</u>	<u>\$ 118,260,224</u>	<u>\$ 9,349,794</u>	<u>\$ 5,667,378</u>	<u>\$ 120,246,869</u>	<u>\$ 1,907,700</u>	<u>\$ 9,270,849</u>

^a Application of FY18/19 and FY22/23 surplus against FY21/22 deficit.

^b Application of FY20/21 Fare Revenue Loss surplus, FY16/17 rehabilitation and renovation projects surplus, and others.

**Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025**

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING (CONTINUED)

<u>MOU# P0SCRRRA2021</u>			[a]	[b]	[c]	[a - b - c]	[d]	[e]	[(b + c) - d + e]
<u>Fund</u>	<u>Description</u>	<u>Year</u>	<u>Approved Funding</u>	<u>Receipts</u>	<u>Reprogrammed</u>	<u>Funding Balance</u>	<u>Expenditures</u>	<u>Application of Surplus</u>	<u>Net Surplus/ (Deficit)</u>
Prop C 10%	Operations	2021	\$ 74,089,000	\$ 74,088,751	\$ -	\$ 249	\$ 105,260,006	\$ -	\$ (31,171,255)
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
						249			(31,171,255)
Prop C 10%	Fare Revenue Loss	2021	35,000,000	-	-	35,000,000	-	-	-
		2022	-	12,231,108	-	(12,231,108)	-	(5,836,102) ^a	6,395,006
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
					22,768,892			6,395,006	
Prop C 10%	Facilities MOU Supplement	2022	500,000	-	456,357 ^b	43,643	456,357	-	-
Measure R 3%	Rehabilitation and Renovation	2021	20,000,000	-	-	20,000,000	256	-	(256)
		2022	-	54,326	-	(54,326)	2,187,571	-	(2,133,245)
		2023	-	3,511,840	-	(3,511,840)	3,624,047	-	(112,207)
		2024	-	5,253,304	-	(5,253,304)	3,882,554	-	1,370,750
		2025	-	4,795,663	-	(4,795,663)	4,185,966	-	609,697
					6,384,867			(265,261)	
			\$ 129,589,000	\$ 99,934,992	\$ 456,357	\$ 29,197,651	\$ 119,596,757	\$ (5,836,102)	\$ (25,041,510)

^a Application of surplus for FY21/22 rehabilitation and renovation projects.

^b Application of FY18/19 surplus for FY21/22 LA County Right of Way (ROW) maintenance outside 20 feet in excess of the Maintenance MOU funding.

Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING (CONTINUED)

<u>MOU# P0SCRRRA2020</u>			[a]	[b]	[c]	[a - b - c]	[d]	[e]	[(b + c) - d + e]
<u>Fund</u>	<u>Description</u>	<u>Year</u>	<u>Approved Funding</u>	<u>Receipts</u>	<u>Reprogrammed</u>	<u>Funding Balance</u>	<u>Expenditures</u>	<u>Application of Surplus</u>	<u>Net Surplus/ (Deficit)</u>
Prop C 10%	Operations	2020	\$ 80,077,793	\$ 74,751,474	\$ 3,237,526 ^a	\$ 2,088,793	\$ 82,659,304	\$ -	\$ (4,670,304)
		2021	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
						<u>2,088,793</u>		<u>(4,670,304)</u>	
Prop C 10%	Right of Way	2020	2,522,962	-	-	2,522,962	2,522,962	-	(2,522,962)
		2021	-	2,522,962	-	(2,522,962)	-	-	2,522,962
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
					<u>-</u>			<u>-</u>	
Prop C 10%	Facilities MOU Supplement	2020	500,000	-	396,600 ^b	103,400	396,600	-	-
Measure R 3%	Rehabilitation and Renovation	2020	33,352,440	21,323	3,900,000 ^c	29,431,117	964,830	-	2,956,493
		2021	-	527,342	-	(527,342)	3,555,607	-	(3,028,265)
		2022	-	4,903,846	-	(4,903,846)	13,064,866	-	(8,161,020)
		2023	-	11,726,083	-	(11,726,083)	5,231,579	-	6,494,504
		2024	-	9,473,108	-	(9,473,108)	4,529,160	-	4,943,948
		2025	-	3,101,049	-	(3,101,049)	2,204,583	-	896,466
					<u>(300,311)</u>			<u>4,102,126</u>	
Prop C 10%	Special Event	2020	125,000	-	-	125,000	-	-	-
		2021	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
					<u>125,000</u>			<u>-</u>	
			<u>\$ 116,578,195</u>	<u>\$ 107,027,187</u>	<u>\$ 7,534,126</u>	<u>\$ 2,016,882</u>	<u>\$ 115,129,491</u>	<u>\$ -</u>	<u>\$ (568,178)</u>

^a Application of FY17/18 surplus for rail operations.

^b Application of FY18/19 surplus for FY21/22 LA County ROW maintenance outside 20 feet in excess of the Maintenance MOU funding.

^c Application of FY16/17 surplus for rehabilitation and renovation program.

Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING (CONTINUED)

<u>MOU# P0SCRRRA29</u>			[a]	[b]	[c]	[a - b - c]	[d]	[e]	[(b + c) - d + e]
<u>Fund</u>	<u>Description</u>	<u>Year</u>	<u>Approved Funding</u>	<u>Receipts</u>	<u>Reprogrammed</u>	<u>Funding Balance</u>	<u>Expenditures</u>	<u>Application of Surplus</u>	<u>Net Surplus/ (Deficit)</u>
Prop C 10%	Operations	2019	\$ 75,119,645	\$ 71,643,540	\$ 1,910,855	\$ 1,565,250	\$ 72,256,826	\$ -	\$ 1,297,569
		2020	-	1,216,782	-	(1,216,782)	-	(384,538) ^a	832,244
		2021	-	-	-	-	-	(396,600) ^b	(396,600)
		2021	-	-	-	-	-	(416,722) ^c	(416,722)
		2022	-	-	-	-	-	(456,357) ^b	(456,357)
		2022	-	-	-	-	-	361,503 ^d	361,503
		2023	-	-	-	-	-	(712,500) ^e	(712,500)
		2023	-	-	-	-	-	(49,119) ^f	(49,119)
		2023	-	-	-	-	-	(10,086) ^g	(10,086)
		2023	-	-	-	-	-	(4,747) ^h	(4,747)
		2024	-	-	-	-	-	(445,185) ⁱ	(445,185)
		2025	-	-	-	-	-	-	-
								348,468	
Prop C 10%	Right of Way	2019	2,449,478	-	2,449,478 ^j	-	2,449,478	-	-
	Homeless Outreach	2019	500,000	-	500,000 ^k	-	-	-	500,000
	Maintenance MOU	2019	500,000	-	500,000 ^k	-	-	-	500,000
		2020	-	-	-	-	-	-	-
		2021	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
							-		1,000,000
Measure R 3%	Rehabilitation and TVD Project	2019	35,031,193	-	-	35,031,193	513,567	-	(513,567)
		2019	5,000,000	-	-	5,000,000	223,424	-	(223,424)
		2020	-	2,194,768	-	(2,194,768)	4,678,181	-	(2,483,413)
		2021	-	6,208,505	-	(6,208,505)	6,028,818	-	179,687
		2022	-	3,232,219	-	(3,232,219)	5,407,431	-	(2,175,212)
		2023	-	8,306,684	-	(8,306,684)	6,247,054	-	2,059,630
		2024	-	6,748,327	-	(6,748,327)	4,605,388	-	2,142,939
		2025	-	5,558,349	-	(5,558,349)	6,043,246	-	(484,897)
					7,782,341			(1,498,257)	

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025**

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING (CONTINUED)

MOU# P0SCRRA29 (Continued)			<i>[a]</i>	<i>[b]</i>	<i>[c]</i>	<i>[a - b - c]</i>	<i>[d]</i>	<i>[e]</i>	<i>[(b + c) - d + e]</i>
Fund	Description	Year	Approved Funding	Receipts	Reprogrammed	Funding Balance	Expenditures	Application of Surplus	Net Surplus/ (Deficit)
Measure R 3%	Tunnel 25 Urgent Track, Ties and Drainage Rehab	2019	750,000	-	750,000 ^k	-	-	-	750,000
		2020	-	-	-	-	127,006	-	(127,006)
		2021	-	-	-	-	65,475	-	(65,475)
		2022	-	-	-	-	38,077	-	(38,077)
		2023	-	-	-	-	49,331 ⁱ	-	(49,331)
		2024	-	-	-	-	295,551	-	(295,551)
		2025	-	-	-	-	37,033	-	(37,033)
						<u>-</u>		<u>137,527</u>	
Prop C 10%	Capital Projects PSRs	2019	950,000	-	950,000 ^k	-	-	-	950,000
		2020	-	-	-	-	629,462	-	(629,462)
		2021	-	-	-	-	153,682	-	(153,682)
		2022	-	-	-	-	73,374	-	(73,374)
		2023	-	-	-	-	5,285 ⁱ	-	(5,285)
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
						<u>-</u>		<u>88,197</u>	
Prop C 10%	Special Event	2019	250,000	84,155	-	165,845	199,952	-	(115,797)
		2020	-	32,723	-	(32,723)	-	-	32,723
		2021	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
						<u>133,122</u>		<u>(83,074)</u>	
			\$ 120,550,316	\$ 105,226,052	\$ 7,060,333	\$ 8,263,931	\$ 110,127,641	\$ (2,514,351)	\$ (355,607)

- ^a Application of surplus for Central Maintenance Facility Noise Study (CMF) and Marketing Initiative programs.
- ^b Application of surplus for FY21/22 LA County ROW maintenance outside 20 feet in excess of the Maintenance MOU funding.
- ^c Application of surplus for facilities maintenance, Burbank Station Cleaning Project and security fence at Sherman Way/Lankershim Blvd.
- ^d Return of the unused reprogrammed fund for CEO Initiative project.
- ^e Application of surplus against FY20/21 deficit.
- ^f Application of surplus for FY20/21 LA County ROW maintenance outside 20 feet in excess of the Maintenance MOU funding.
- ^g Application of surplus for Burbank MLK Station Cleaning and Trash Pick-up.
- ^h Application of surplus for Project 881596.
- ⁱ Return of the unused operating surplus to Metro.
- ^j Application of FY16/17 surplus for Right-of-Way Security.
- ^k Application of deferred revenue already in SCRRA's possession.
- ^l Adjustments were made to the previously reported amount as a result of the FY22/23 Agency-wide financial audit.

Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING (CONTINUED)

MOU# P0SCRRRA28

<u>Fund</u>	<u>Description</u>	<u>Year</u>	<u>[a]</u> <u>Approved</u> <u>Funding</u>	<u>[b]</u> <u>Receipts</u>	<u>[c]</u> <u>Reprogrammed</u>	<u>[a - b - c]</u> <u>Funding</u> <u>Balance</u>	<u>[d]</u> <u>Expenditures</u>	<u>[e]</u> <u>Application</u> <u>of Surplus</u>	<u>[(b + c) - d + e]</u> <u>Net Surplus/</u> <u>(Deficit)</u>	
Prop C 10%	Operations	2018	\$ 71,658,558	\$ 71,658,558	\$ -	\$ -	\$ 68,421,032	\$ -	\$ 3,237,526	
		2019	-	-	-	-	-	-	-	
		2020	-	-	-	-	-	-	(3,237,526) ^a	(3,237,526)
		2021	-	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-	-
						-			-	
Prop C 10%	Right of Way	2018	2,360,550	1,733,121	-	627,429	2,310,789	-	(577,668)	
		2019	-	577,707	-	(577,707)	-	-	577,707	
		2020	-	-	-	-	-	-	-	-
		2021	-	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-	-
						49,722			39	
Measure R 3%	Rehabilitation and Renovation	2018	6,819,206	-	206 ^b	6,819,000	2,127	-	(1,921)	
		2019	-	37,710	-	(37,710)	50,890	-	(13,180)	
		2020	-	3,304,741	-	(3,304,741)	3,629,305	-	(324,564)	
		2021	-	501,536	-	(501,536)	710,451	-	(208,915)	
		2022	-	1,244,299	-	(1,244,299)	1,192,072	-	52,227	
		2023	-	622,982	-	(622,982)	440,208	-	182,774	
		2024	-	322,836	-	(322,836)	294,096	-	28,740	
		2025	-	353,832	-	(353,832)	409,971	-	(56,139)	
						431,064			(340,978)	

Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING (CONTINUED)

<u>MOU# P0SCRRRA28 (Continued)</u>			[a]	[b]	[c]	[a - b - c]	[d]	[e]	[(b + c) - d + e]
<u>Fund</u>	<u>Description</u>	<u>Year</u>	<u>Approved Funding</u>	<u>Receipts</u>	<u>Reprogrammed</u>	<u>Funding Balance</u>	<u>Expenditures</u>	<u>Application of Surplus</u>	<u>Net Surplus/ (Deficit)</u>
Prop C 10%	Special Event	2018	250,000	-	-	250,000	128,259	-	(128,259)
		2019	-	155,299	-	(155,299)	66,289	-	89,010
		2020	-	-	-	-	-	-	-
		2021	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
						94,701			(39,249)
			\$ 81,088,314	\$ 80,512,621	\$ 206	\$ 575,487	\$ 77,655,489	\$ (3,237,526)	\$ (380,188)

^a Application of surplus for FY19/20 rail operations.

^b Application of FY15/16 surplus for the rehabilitation and renovation program.

Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING (CONTINUED)

<u>MOU# P0SCRRRA27</u>			[a]	[b]	[c]	[a - b - c]	[d]	[e]	[(b + c) - d + e]
<u>Fund</u>	<u>Description</u>	<u>Year</u>	<u>Approved Funding</u>	<u>Receipts</u>	<u>Reprogrammed</u>	<u>Funding Balance</u>	<u>Expenditures</u>	<u>Application of Surplus</u>	<u>Net Surplus/ (Deficit)</u>
Prop C 10%	Operations	2017	\$ 71,795,000	\$ 71,795,000	\$ -	\$ -	\$ 66,497,200	\$ -	\$ 5,297,800
		2018	-	-	-	-	-	-	-
		2019	-	-	-	-	-	(1,910,855) ^a	(1,910,855)
		2019	-	-	-	-	-	(2,449,478) ^b	(2,449,478)
		2019	-	-	-	-	-	(154,747) ^c	(154,747)
		2019	-	-	-	-	-	(985,923) ^d	(985,923)
		2020	-	-	-	-	-	-	-
		2021	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
								-	
Prop C 10%	Right of Way	2017	2,360,551	2,360,551	-	-	2,358,526	-	2,025
		2018	-	-	-	-	-	-	-
		2019	-	-	-	-	-	-	-
		2020	-	-	-	-	-	-	-
		2021	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
								-	
Measure R 3%	Rehabilitation and renovation	2017	41,678,525	-	-	41,678,525	4,028,759	-	(4,028,759)
		2018	-	10,902,866	-	(10,902,866)	16,058,677	-	(5,155,811)
		2019	-	10,741,842	-	(10,741,842)	9,278,385	-	1,463,457
		2020	-	8,852,998	-	(8,852,998)	7,555,847	(3,900,000) ^e	(2,602,849)
		2021	-	4,259,061	-	(4,259,061)	321,596	-	3,937,465
		2022	-	106,874	-	(106,874)	(2,190,916)	(2,431,044) ^f	(133,254)
		2023	-	143,448	-	(143,448)	1,909	-	141,539
		2024	-	7,523	-	(7,523)	15,816	-	(8,293)
		2025	-	221,489	-	(221,489)	590,516	-	(369,027)
					6,442,424			(6,755,532)	

**Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025**

NOTE 4 STATUS OF PRIOR YEARS' MEMORANDUM OF UNDERSTANDING (CONTINUED)

MOU# P0SCRRRA27 (Continued)			<i>[a]</i>	<i>[b]</i>	<i>[c]</i>	<i>[a - b - c]</i>	<i>[d]</i>	<i>[e]</i>	<i>[(b + c) - d + e]</i>
Fund	Description	Year	Approved Funding	Receipts	Reprogrammed	Funding Balance	Expenditures	Application of Surplus	Net Surplus/ (Deficit)
Measure R 3%	Capital Project PSRs	2017	618,000	-	-	618,000	-	-	-
		2018	-	-	-	-	-	-	-
		2019	-	-	-	-	-	-	-
		2020	-	-	-	-	-	-	-
		2021	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
								618,000	
Prop C 10%	Special Event	2017	100,000	-	-	100,000	55,394	-	(55,394)
		2018	-	8,322	-	(8,322)	72,747	-	(64,425)
		2019	-	76,995	-	(76,995)	-	-	76,995
		2020	-	-	-	-	-	-	-
		2021	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-
		2023	-	-	-	-	-	-	-
		2024	-	-	-	-	-	-	-
		2025	-	-	-	-	-	-	-
								14,683	
			\$ 116,552,076	\$ 109,476,969	\$ -	\$ 7,075,107	\$ 104,644,456	\$ (11,832,047)	\$ (6,999,534)

- ^a Application of surplus for FY18/19 rail operations.
- ^b Application of surplus for FY18/19 Right-of-Way Security.
- ^c Application of surplus for Burbank Airport South Trash Pickup, Maintenance and cover shortfall for Capital Projects.
- ^d Application of surplus for FY18/19 San Bernardino Line 25% Fare Discount
- ^e Application of surplus for FY19/20 rehabilitation and renovation program.
- ^f Application of surplus for FY21/22 rehabilitation and renovation projects.

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Notes to Schedule of Operating Revenues and Expenditures
Year ended June 30, 2025**

NOTE 5 DEPOSIT AGREEMENT FOR WORKING CAPITAL FUND

In December 2024, the SCRRA entered into a Deposit Agreement (the Agreement) for a Working Capital Fund (Fund) with Metro. The purpose of the Agreement is to establish a Fund to provide liquidity to advance eligible state of good repair and new capital project costs funded by federal, state, and local grants with extended reimbursement timeframes.

Pursuant to the Agreement, Metro advanced SCRRA a one-time deposit of \$29,290,000, which is held in a separately designated Working Capital Fund. The Fund may only be used to advance costs for eligible capital projects approved through SCRRA's annual budget process and must be deposited back upon receipt of reimbursement from the applicable funding sources.

SCRRA is required to return the total deposit amount to Metro within 15 days of any of the following: (i) five years from the date of the deposit, unless the parties agreed to extend the term via formal amendment; (ii) SCRRA and Metro determined that SCRRA has sufficient cash flow to advance capital projects without the need for the deposit; (iii) SCRRA's breach of the Agreement, including but not limited to, improper uses of the funds, failure to replenish upon receipt of reimbursement from the applicable funding sources; or (iv) the dissolution of SCRRA.

Interest accrues monthly on the outstanding deposit balance net of amounts advanced for capital projects. SCRRA is required to remit annual interest payments to Metro for interest accrued during the preceding fiscal year in accordance with the Agreement.

SCRRA is required to maintain the Fund in accordance with its Working Capital Fund Policy and related standard operating procedures, maintain separate accounting records, and provide quarterly activity and reconciliation reports to Metro. The Agreement provides Metro with audit and inspection rights over the Fund and related capital project expenditures. The Fund is included in SCRRA's audited financial statements.

The balance of the Fund as of June 30, 2025 is \$29,662,875 and includes interest earned during the fiscal year.

NOTE 6 SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 28, 2026, the date on which the Schedule was available to be issued. There are no material subsequent events that require recognition or additional disclosures in this Schedule.



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**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of a Financial Statement
Performed in Accordance with *Government Auditing Standards***

**To the Board of Directors of the
Los Angeles County Metropolitan Transportation Authority (Metro)**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Schedule of operating revenue and expenditures of the Metrolink Program (the Program) under Memorandum of Understanding (MOU) No. 9400000000SCRA2025 (SCRA2025) between the Southern California Regional Rail Authority (SCRRA) and the Los Angeles County Metropolitan Transportation Authority (Metro) for the year ended June 30, 2025, and the related notes to the Schedule, and have issued our report thereon dated February 28, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the Schedule, we considered SCRRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Schedule, but not for the purpose of expressing an opinion on the effectiveness of SCRRA's internal control. Accordingly, we do not express an opinion on the effectiveness of SCRRA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's Schedule will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Schedule is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the Schedule. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of SCRRA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Glendale, California
February 28, 2026

COMPLIANCE SECTION



Independent Auditor's Report on Compliance and on Internal Control Over Compliance Required by the Guidelines

**To the Board of Directors of the
Los Angeles County Metropolitan Transportation Authority (Metro)**

Report on Compliance

Opinion

We have audited Southern California Regional Rail Authority's (SCRRA) compliance with the requirements identified in the Memorandum of Understanding (MOU) No. 9400000000SCRA2025 (SCRA2025) and the Working Capital Fund Agreement No. 9400000000MRWKCAP (Agreement) between SCRRA and the Los Angeles County Metropolitan Transportation Authority (Metro), the SCRRA Adopted Budget for the year ended June 30, 2025, and other guidelines issued related to the Metrolink Program (collectively, the Guidelines). The compliance requirements are identified in the Compliance Requirements section below and the Compliance Matrix.

In our opinion, SCRRA complied, in all material respects, with the compliance requirements of the Guidelines for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the Guidelines. Our responsibilities under those standards and the Guidelines are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of SCRRA and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance with the Guidelines. Our audit does not provide a legal determination of SCRRA's compliance with the compliance requirements referred to above.



Responsibilities of Management for Compliance

Management is responsible for SCRRA's compliance with the Guidelines and for the design, implementation, and maintenance of effective internal control over compliance with the compliance requirements of laws, statutes, regulations, rules, and provisions of contracts or agreements applicable to SCRRA's Metrolink Program as identified in the Compliance Requirements and the Compliance Matrix.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the SCRRA's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guidelines will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the SCRRA's compliance with the requirements of the Guidelines as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guidelines, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the SCRRA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the SCRRA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guidelines, but not for the purpose of expressing an opinion on the effectiveness of the SCRRA's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance with the requirements, which is described in the accompanying Schedule of Findings and Questioned Costs as Finding #2025-001. Our opinion is not modified with respect to this matter.



Government Auditing Standards requires the auditor to perform limited procedures on SCRRA's response to the noncompliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. SCRAA's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the Guidelines on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with the Guidelines will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with the Guidelines that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as Finding #2025-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on SCRRA's responses to the noncompliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. SCRAA's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guidelines. Accordingly, this report is not suitable for any other purpose.

**Glendale, California
February 28, 2026**

Compliance Requirements

The following requirements are applicable to SCRRA's allocation of revenues and expenditures to Metro for the year ended June 30, 2025:

1. Metro's share in the Schedule of Subsidy Allocation by County is free of material discrepancies.
2. The total revenues and expenditures shown in the Schedule of Subsidy Allocation by County provided by SCRRA are in agreement, in all material respects, with the SCRRA's Annual Comprehensive Financial Report (ACFR). See Schedule II
3. The allocation methods used by SCRRA to allocate revenues and expenditures are in conformance with the allocation methods adopted by the joint authorities and are applied consistently to allocate revenues and expenditures. See Schedule III
4. The Proposition C 10% and Measure R 3% funds received from Metro are recorded in SCRRA's books and are in agreement with Metro's disbursement records. See Schedule IV
5. The Proposition C 10% and Measure R 3% funds received are expended for purposes identified in the SCRRA's Annual Work Program, capital grants, other operating assistance, adopted language MOU(s) and the SCRRA adopted budget.
6. Metro's contribution to the Self Insurance Reserve (SIR) was made in accordance with the appropriate member agency allocation formula, and that claims against the SIR were appropriate uses of funds. See Schedule VII
7. SCRRA's third party participation contracts do not materially impact Metro's share of revenues and expenditures. See Schedule II
8. SCRRA complied with all applicable ordinances.
9. The following requirement is not applicable to SCRRA's allocation of revenues and expenditures to Metro for the year ended June 30, 2025 as there were no transactions that have occurred relating to this requirement. Accordingly, no procedures were performed on this requirement.
 - a. Metro's contribution to the annual capital replacement program is properly accounted for, is bearing interest, and is solely allocated for this purpose.

Compliance Requirements (Continued)

The following requirements are applicable to SCRRA's Working Capital Fund Agreement:

1. Establishment and maintenance of a separate, designated Working Capital Fund account and separate accounting records.
2. Use of Working Capital funds only to advance eligible, approved capital projects with replenishment upon receipt of grant reimbursements.
3. Monthly interest accrual on outstanding balances and annual interest payment to Metro.
4. Quarterly activity and reconciliation reports provided to Metro.
5. Adherence to the five-year term and return provisions (or earlier return upon specified events).
6. Metro's audit and inspection rights.

**Southern California Regional Rail Authority (SCRRA)
Compliance Matrix
Year ended June 30, 2025**

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response
		Yes	No	N/A		
Metrolink Program – MOU No. SCRRA2025						
1	SCRRA submitted its FY 2024-25 Budget on May 6, 2024 to Metro and the other JPA member agencies of SCRRA.	X				
1(c)	Metro-owned Right of Way (ROW) maintenance beyond the 20-foot center from track funds totals \$2,920,232, allocated from Proposition C 40% funds, which may be used in part to support hiring a Metrolink FTE.	X				There were no findings noted on eligibility of expenditures.
2	State Of Good Repair (SOGR) and New Capital funds in the amount of \$70,373,350 in Measure R 3% funds were paid for new projects approved and programmed for FY2024-25. SCRRA also submitted Expenditure Plan consistent with Attachment D of the MOU.			X		There was no drawdown during FY2024/25.
3	SCRRA adhered to the guidelines for invoicing and managing SOGR and new capital projects programmed in FY2024/25.	X				
3(a)	SCRRA submitted invoices with Monthly Progress/Expenditure Report to Metro with sufficient back up documentation.	X				
3(b)	Aggregate SCRRA invoice does not exceed the FY2024-25 approved program amount of \$70,373,350 unless additional funding authority has been provided by Metro.			X		There was no drawdown during FY2024/25.
3(c)	SCRRA invoiced Metro no more than a total of \$35,000,000, excluding designated deferred revenue funds currently in SCRRA's possession, for all outstanding Metro programmed authority during FY2024-25.	X				Metro approved excess drawdowns on January 10, 2025 due to the timing of the MOU finalization.

**Southern California Regional Rail Authority (SCRRA)
Compliance Matrix
Year ended June 30, 2025**

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response
		Yes	No	N/A		
3(d)	<p>SCRRA and Metro staff conducted a quarterly rehabilitation / renovation and new capital review meeting.</p> <p>SCRRA submitted quarterly expenditure and reconciliation report of the FY2024-25 rehabilitation / renovation and new capital program with the percentage of completion of each project and project numbers.</p>	X				
4	No FY 2024-25 Metro funds were used for previously funded projects except as provided in Article 5 of MOU No. SCRA2025.			X		There was no drawdown during FY2024/25.
5	SCRRA provided Metro with Quarterly Project Budget Reallocation (PBR) report for any modifications to the adopted capital program as outlined in SCRRA's board approved Finance Policy 1.2 and included such member agency approval as outlined.	X				
6	SCRRA provided Metro with a Quarterly PBR report detailing all PBR fund transfers by fiscal year MOU budget to include the project the funds were transferred from, the project the funds were transferred to, the status of the project after the PBR, what the revised budget is for each PBR project, expenditures to budget, and reason for the PBR transfer.	X				
7	<p>SCRRA met all contractual maintenance, reporting, and invoicing obligations related to Operational and Non-operational ROW activities:</p> <ul style="list-style-type: none"> • Planned and executed regularly scheduled and as-needed work year-round to keep the Operational ROW compliant with stated regulations. • Maintained the Non-operational ROW (outside of the 20 feet) four times during FY2024-25. • Acknowledged receipt of the as-needed WORK request from Metro within three business days in writing with a work plan, timeframe and cost-estimate. 		X			See Finding #2025-001

**Southern California Regional Rail Authority (SCRRA)
Compliance Matrix
Year ended June 30, 2025**

Compliance Requirement	In Compliance			Questioned Costs	If no, provide details and management response
	Yes	No	N/A		
<ul style="list-style-type: none"> • Obtained written approval from Metro CPD before commencing as-needed WORK requests. • Completed the as-needed WORK request within seven days from date of receipt of written approval, unless previously arranged with Metro CPD. • Submitted invoice to Metro CPD not exceeding \$2,920,232 within 30 days after the end of each quarter. • Submitted monthly reports to Metro CPD. 					
8 SCRRA loaned or exchanged Metro funds: a. SCRRA and Metro agreed the exchange in writing. b. SCRRA ensured that traded funds were utilized for the designated purpose.			X		
9 SCRRA only utilized funding for the specific line items of the approved Operating Budget.	X				
10 SCRRA provided detailed schedule of all funds included in the Deferred Revenue account. The detailed schedule included a beginning balance by MOU and fund type, activities during the fiscal year by project, MOU and fund type (e.g., Proposition C, Measure R, Measure M, PTMSEA, etc.) and an ending balance.	X				
11 SCRRA established and maintained proper accounting procedures, controls, and documentation. SCRRA shall make records available in such a manner that Metro auditors can complete the draft FY 2024-25 audit by February 28, 2026.	X				
12 SCRRA complied with provisions of the JPA as amended.	X				
13 SCRRA indemnified, defended with counsel approved by Metro, and held harmless Metro, its directors, officers, employees and agents from all loss, expense, fines, claims,	X				

**Southern California Regional Rail Authority (SCRRA)
Compliance Matrix
Year ended June 30, 2025**

Compliance Requirement	In Compliance			Questioned Costs	If no, provide details and management response
	Yes	No	N/A		
damages, actions, and liability of any nature whatsoever, without payment thereof by Metro, arising out of anything done or omitted to be done by SCRRA or SCRRA's presence on property owned by Metro, except where the indemnification relationship between the parties is governed by another agreement between the parties, excluding the JPA.					
14 SCRRA has submitted evidence of insurance to the satisfaction of Metro. SCRRA shall maintain, for the duration of this MOU, and/or shall require that SCRRA contractors maintain, levels of insurance coverage equivalent to existing coverage against claims for injuries to persons, or damages to property, which may arise from or in connection with SCRRA rail operations or construction by the SCRRA, its agents, representatives, employees, or subcontractors on Metro property.	X				
15 Invoices referencing MOU No. SCRA2025 shall be sent to the locations provided on the MOU.	X				

**Southern California Regional Rail Authority (SCRRA)
Compliance Matrix
Year ended June 30, 2025**

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response
		Yes	No	N/A		
Working Capital Fund Agreement (MRWKCAP)						
1	SCRRA received a one-time disbursement of \$29,290,000 within 15 days of full MOU execution and invoice submission.	X				
2	Working Capital Funds were used only for eligible capital projects (state of good repair & new capital projects) approved through SCRRA's budget and reimbursable by grants.			X		
3	No Working Capital Funds were used for operating costs, consistent with Policy FIN-9.7.			X		
4	SCRRA complied with Working Capital Fund Policy FIN-9.7 and the WCF SOP.	X				
5	SCRRA replenished the Working Capital Fund promptly upon receiving reimbursement from funding sources.			X		There was no advance made and reimbursement received in FY2024/25.
6	SCRRA maintained a separate Working Capital Fund account, segregated from operating funds.	X				
7	SCRRA returned the deposit within 15 days upon: 5-year term expiration, cash-flow sufficiency determination, breach, or dissolution.			X		
8	SCRRA calculated interest monthly and made annual interest payments by March 31 each year with support.	X				
9	SCRRA maintained GAAP-compliant accounting records and provided annual audited financial statements to Metro.	X				
10	SCRRA provided Metro access to inspect capital projects and records with reasonable notice.	X				

**Southern California Regional Rail Authority (SCRRA)
Compliance Matrix
Year ended June 30, 2025**

Compliance Requirement	In Compliance			Questioned Costs	If no, provide details and management response	
	Yes	No	N/A			
11	SCRRA promptly notified Metro of any event of default or potential default.			X		No event of default was encountered in FY2024/25.
12	SCRRA submitted Quarterly Working Capital Fund activity reports including expenditures, collections, advances, interest, and beginning/ending balances within 30 days of monthly accounting close.	X				No advance or repayment activity occurred as of June 30, 2025. The FY2024/25 Q4 Activity Report has been submitted.
13	SCRRA performed the required annual re-evaluation of the deposit and returned excess funds within 15 days, when applicable.	X				There were no excess funds in FY2024/25.
14	SCRRA provided Quarterly Capital Financial Performance Reports including AR, revenue, expenditure summaries, and billing activity.	X				No advance or repayment activity occurred as of June 30, 2025. The FY2024/25 Q4 Activity Report has been submitted.
15	Invoices referencing Agreement No. MRWRKCAP shall be sent to the locations provided on the MOU.	X				INV108302 was submitted on February 5, 2025.
16	Upon termination of the Agreement, SCRRA returned the full deposit plus all accrued interest.			X		

SCHEDULE I

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Supplementary Information
Schedule of Subsidy Allocation by County
Year ended June 30, 2025**

	<u>TOTAL</u>	<u>METRO</u>	<u>OCTA</u>	<u>RCTC</u>	<u>SBCTA</u>	<u>VCTC</u>
OPERATING REVENUES						
Fares	\$ 43,834,327	\$ 23,600,692	\$ 10,248,917	\$ 3,865,282	\$ 4,777,482	\$ 1,341,954
Dispatching	2,683,918	1,356,071	877,154	16,115	130,715	303,863
Maintenance-of-Way (MOW)	4,535,516	2,283,555	919,008	513,170	524,554	295,229
Miscellaneous	<u>13,097,422</u>	<u>6,729,552</u>	<u>3,186,736</u>	<u>879,659</u>	<u>1,759,235</u>	<u>542,240</u>
Total operating revenues	<u>64,151,183</u>	<u>33,969,870</u>	<u>15,231,815</u>	<u>5,274,226</u>	<u>7,191,986</u>	<u>2,483,286</u>
OPERATING EXPENSES						
Train operations and services	177,480,433	92,962,111	35,622,688	20,079,879	19,954,090	8,861,665
Maintenance-of-Way (MOW)	54,919,407	30,662,655	10,729,389	3,626,833	6,808,620	3,091,910
Administration and services	49,478,469	23,887,067	8,770,923	7,078,704	5,199,030	4,542,745
Personal liability/property damage	18,967,561	10,105,810	3,626,172	2,056,515	2,416,978	762,086
Mobilization	7,869,807	4,274,092	1,708,535	794,850	793,277	299,053
Student adventure pass member support	3,211,300	1,640,600	743,400	330,800	386,300	110,200
Contingency	<u>24,100</u>	<u>11,433</u>	<u>4,152</u>	<u>3,586</u>	<u>2,531</u>	<u>2,398</u>
Total operating expenses	<u>311,951,077</u>	<u>163,543,768</u>	<u>61,205,259</u>	<u>33,971,167</u>	<u>35,560,826</u>	<u>17,670,057</u>
OPERATING LOSS BEFORE OTHER REVENUE (EXPENSES)	<u>(247,799,894)</u>	<u>(129,573,898)</u>	<u>(45,973,444)</u>	<u>(28,696,941)</u>	<u>(28,368,840)</u>	<u>(15,186,771)</u>
OTHER REVENUE						
Unbudgeted special trains	<u>131,942</u>	<u>60,563</u>	<u>10,870</u>	<u>5,942</u>	<u>45,664</u>	<u>8,903</u>
Total other revenue	<u>131,942</u>	<u>60,563</u>	<u>10,870</u>	<u>5,942</u>	<u>45,664</u>	<u>8,903</u>
LOSS BEFORE SUBSIDIES	<u>(247,667,952)</u>	<u>(129,513,335)</u>	<u>(45,962,574)</u>	<u>(28,690,999)</u>	<u>(28,323,176)</u>	<u>(15,177,868)</u>
FY2024/2025 MEMBER SUBSIDIES INVOICED						
Operating subsidies	228,635,189	113,223,023	45,889,121	27,769,798	26,608,682	15,144,565
Self-insurance subsidy	<u>34,093,173</u>	<u>23,236,807</u>	<u>4,442,356</u>	<u>2,519,398</u>	<u>2,960,995</u>	<u>933,617</u>
Total Member Subsidies	<u>262,728,362</u>	<u>136,459,830</u>	<u>50,331,477</u>	<u>30,289,196</u>	<u>29,569,677</u>	<u>16,078,182</u>
NET INCOME	<u>\$ 15,060,410</u>	<u>\$ 6,946,495</u>	<u>\$ 4,368,903</u>	<u>\$ 1,598,197</u>	<u>\$ 1,246,501</u>	<u>\$ 900,314</u>

SCHEDULE II

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Supplementary Information
Reconciliation of the Schedule of Subsidy Allocation to ACFR
Year ended June 30, 2025**

	<u>Revenues</u>	<u>Expenses</u>
Per Schedule of Subsidy Allocation	\$ 64,151,183	\$ 311,951,077
 <u>Reconciling items:</u>		
OPERATING REVENUE/EXPENSES:		
Fare revenues	(4,888,899)	21,704,821
Maintenance-of-Way	(4,413,496)	(670,664)
Third party agreements ^{1}	26,706,456	22,610,978
Rehabilitation and renovation - capital ^{1}	14,792,826	126,937,620
Public liability and property damage	-	3,445,000
Depreciation ^{1}	-	49,701,057
Bad debt	-	(316,723)
Others	-	(263,159)
	32,196,887	223,148,930
Per ACFR - Operating Revenues and Expenses	\$ 96,348,070	\$ 535,100,007

Notes:

^{1}Not allocated to the members

Revenues and expenses in the Schedule of Subsidy Allocation by County do not include revenues and expenses relating to Third-party participation agreements (TPA). TPA are items such as charter train services, construction of major capital facilities on behalf of third parties, and flagging personnel provided by SCRRA for the safety of non-SCRRA personnel accessing the rail right-of-way. SCRRA's policy regarding third-party agreements is that they should be self-supporting. Projects are typically billed up-front to third parties throughout the project timeline, and revenue and expenses are reconciled on an ongoing basis. At year-end, SCRRA records accruals to ensure revenues and expenses are properly matched, and therefore no excess of expenses over revenue should exist. While projects are often billed up-front, certain agencies—such as federal and state entities—are prohibited from providing advance funding.

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Supplementary Information
Methods of Allocation Used and the Types of Revenues and Expenses
Year ended June 30, 2025**

Budget Item	FY24-25 Agreed Allocation
Train Mile Allocation	
Train Operations	Train Miles - Current
Fuel	Train Miles - Current
Operating Contingency	Train Miles - Current
Direct to Line Segments/Territories	
Rail Agreements	Direct to Lines/Then to Members
MOW - Line Segments	Train Miles of Service on Territory
MOW - Extra-Ordinary maintenance	Train Miles of Service on Territory
Amtrak Transfers	Direct to Lines/Then to Members
Route Miles Dispatched	
Dispatching	Route Miles Dispatched
Ridership/Revenue Distributions	
Transfers to Other Operators	Direct to Lines/Then to Members
Supplemental Additional Security	Ridership/Revenue Distribution
Base Allocation	
Equipment Maintenance	75% Train Miles - Lagged/25% Unduplicated Stations
Operating Contingency (Bombardier)	Unduplicated Route Miles (excluding San Diego County)
Non-Scheduled Rolling Stock Repairs	Train Miles - Lagged
Operating Facilities Maintenance	Train Miles - Lagged
Other Operating Train Services - Operations	Unduplicated Route Miles (excluding San Diego County)
Other Operating Train Services - QSP	Ridership/Revenue Distribution
Security - Sheriff	Train Miles - Lagged
Security - Guards	Unduplicated Route Miles (excluding San Diego County)
Public Safety Program	Unduplicated Route Miles (excluding San Diego County)
Utilities/Leases	Unduplicated Route Miles (excluding San Diego County)
Passenger Relations - Call Boxes	Unduplicated Stations
Passenger Relations - Telephone	
Information Services	Ridership Distribution Lagged
Contingency (Non-Train Operating)	Unduplicated Route Miles (excluding San Diego County)

Southern California Regional Rail Authority (SCRRA)
 Metrolink Program - MOU No. SCRA2025
 Supplementary Information

Methods of Allocation Used and the Types of Revenues and Expenses (Continued)
 Year ended June 30, 2025

Budget Item (Continued)	FY24-25 Agreed Allocation (Continued)
TAP Vending Maching (TVM)	
Maintenance/Revenue Collection	TVMs
Station Maintenance - Non-Union Station	Unduplicated Stations
Station Maintenance - Union Station	Revenue Moves thru Los Angeles Union Station (LAUS)
Passenger Service Representatives	Unduplicated Route Miles (excluding San Diego County)
Passenger Relations - Call Center/Other	Ridership Distribution Lagged
Marketing/Market Research	Ridership Distribution Lagged
Media and External Communications	Unduplicated Route Miles (excluding San Diego County)
Liability/Property/Auto	Train Miles - Lagged
Claims	Train Miles - Lagged
Claims Administration	Train Miles - Lagged
Salaries and Fringe Benefits	Unduplicated Route Miles (excluding San Diego County)
Non-Labor Costs	Train Miles - Current
Allocated Overhead	Unduplicated Route Miles (excluding San Diego County)
Services	Unduplicated Route Miles (excluding San Diego County)

SCHEDULE IV

**Southern California Regional Rail Authority (SCRRRA)
Metrolink Program - MOU No. SCRA2025
Supplementary Information
Schedule of Funds Received From Metro
Year ended June 30, 2025**

Proposition C 10% Fund	
P0SCRRRA2025	\$ <u>136,459,830</u>
	<u>136,459,830</u>
Proposition C 40% Fund	
P0SCRRRA2025 - Outside 20' ROW Maintenance	<u>777,191</u>
	<u>777,191</u>
Measure R 3% Fund	
P0SCRRRA27	221,489
P0SCRRRA28	353,832
P0SCRRRA29	5,558,349
SCRA2020	3,101,049
SCRA2021	4,795,663
SCRA2022	9,132,168
SCRA2023	14,449,171
SCRA2024	<u>1,604,007</u>
	<u>39,215,728</u>
Other Funds	
MRROTEMSET	1,680,501
MRBRIGHTRX	34,630
DORANSCRRA	2,925
SCRRLHW	150,655
SCRALINK	135,828
AE51806000	63,688
MRTVMLACTY	291,504
MRWRKCAP	29,290,000
SBLFARER	<u>112,704</u>
	<u>31,762,435</u>
Total funds received	\$ <u>208,215,184</u>

SCHEDULE V

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Supplementary Information
Comparative Analysis of Unearned Revenue
(Dollar Amounts in Thousands)
Years ended June 30, 2025 and 2024**

	<u>METRO</u>	<u>OCTA</u>	<u>RCTC</u>	<u>SBCTA</u>	<u>VCTC</u>	<u>OTHER</u>	<u>TOTAL</u>
Unearned revenue at June 30, 2024	\$ 17,998	\$ 11,255	\$ 11,207	\$ 12,610	\$ 30,502	\$ 16,615	\$ 100,187 *
2025 Activities							
Operating surplus (deficit)	(8,914)	2,468	(1,912)	(1,738)	(1,349)	-	(11,445)
CARES Act funding	-	-	-	-	504	-	504
Arrow service implementation	-	-	-	3,334	-	-	3,334
Preventive maintenance surplus (deficit)	-	9,841	(7,366)	-	403	-	2,878
Unearned fare revenue	-	-	-	-	-	42	42
Capital projects surplus (deficit)	(934)	(1,547)	-	(1,198)	(1,530)	(244)	(5,453)
Restricted Prop1B	-	-	-	-	(1)	(11,250)	(11,251)
Unearned revenue at June 30, 2025	\$ 8,150	\$ 22,017	\$ 1,929	\$ 13,008	\$ 28,529	\$ 5,163	\$ 78,796 *

* Breakdown per activity

	<u>METRO</u>	<u>OCTA</u>	<u>RCTC</u>	<u>SBCTA</u>	<u>VCTC</u>	<u>OTHER</u>	<u>TOTAL</u>
Unearned revenue components:							
Operating surplus	\$ 7,360	\$ 12,175	\$ 1,929	\$ 1,714	\$ 3,586	\$ -	\$ 26,764
CARES Act funding	-	-	-	-	18,706	-	18,706
Arrow service implementation	-	-	-	8,913	-	-	8,913
Preventive maintenance surplus	-	9,841	-	-	6,000	-	15,841
Unearned fare revenue	-	-	-	-	-	145	145
Capital projects surplus	790 **	1	-	2,381	238	535	3,945
Restricted Prop1B	-	-	-	-	(1)	4,483	4,482
Unearned revenue, June 30, 2025	\$ 8,150	\$ 22,017	\$ 1,929	\$ 13,008	\$ 28,529	\$ 5,163	\$ 78,796

** See Exhibit VI.

	<u>METRO</u>	<u>OCTA</u>	<u>RCTC</u>	<u>SBCTA</u>	<u>VCTC</u>	<u>OTHER</u>	<u>TOTAL</u>
Unearned revenue at June 30, 2023							
(as restated)	\$ 11,457	\$ 5,301	\$ 1,968	\$ 10,061	\$ 23,134	\$ 19,992	\$ 71,913
2024 Activities							
Operating surplus (deficit)	6,520	6,114	2,680	2,530	2,651	-	20,495
CARES Act funding	-	-	(12)	(841)	(1,027)	(1,205)	(3,085)
Arrow service implementation	-	-	-	5,579	-	-	5,579
Preventive maintenance surplus (deficit)	-	-	7,366	(4,000)	5,597	-	8,963
Unearned fare revenue	-	-	-	-	-	(69)	(69)
Capital projects surplus (deficit)	21	(160)	(795)	(719)	147	94	(1,412)
Restricted Prop1B	-	-	-	-	-	(2,197)	(2,197)
Unearned revenue at June 30, 2024	\$ 17,998	\$ 11,255	\$ 11,207	\$ 12,610	\$ 30,502	\$ 16,615	\$ 100,187 *

* Breakdown per activity

	<u>METRO</u>	<u>OCTA</u>	<u>RCTC</u>	<u>SBCTA</u>	<u>VCTC</u>	<u>OTHER</u>	<u>TOTAL</u>
Unearned revenue components:							
Operating surplus	\$ 16,274	\$ 9,707	\$ 3,841	\$ 3,452	\$ 4,935	\$ -	\$ 38,209
CARES Act funding	-	-	-	-	18,202	-	18,202
Arrow service implementation	-	-	-	5,579	-	-	5,579
Preventive maintenance surplus	-	-	7,366	-	5,597	-	12,963
Unearned fare revenue	-	-	-	-	-	103	103
Capital projects surplus	1,724 **	1,548	-	3,579	1,768	779	9,398
Restricted Prop1B	-	-	-	-	-	15,733	15,733
Unearned revenue, June 30, 2024	\$ 17,998	\$ 11,255	\$ 11,207	\$ 12,610	\$ 30,502	\$ 16,615	\$ 100,187

** See Exhibit VI.

SCHEDULE VI

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Supplementary Information
Capital Surplus per MOU and per Project Breakdown**

Year Ended June 30, 2025

Unearned revenue - capital projects surplus, June 30, 2024	\$ 1,723,978
2025 Activities, net	<u>(933,909)</u>
Unearned revenue - capital projects surplus, June 30, 2025	790,069
Earmarked for active/closing projects (see details below)	<u>839,483</u>
Currently available for reprogramming	<u>\$ (49,414)</u>

<u>Project Number</u>	<u>Project Name</u>	<u>Award Short Name</u>	<u>Held for Projects</u>
418005	CMF N END CONNECT DES	9400000000SCRRA29	\$ 88,775
519310	VALLEY TNNL 25 TRACK REHAB	9400000000SCRRA29	187,915
520740	RIVER ATCS/PTC/CIS/BACKHAUL	MOU.9400000000SCRA2020 A1	118,085
604001	ROLLING STOCK PROCUREMENT	MOU.POSCRRA16	206,234
61XXXX	TIER 4 #21-37	MOU.POSCRRA11	<u>238,474</u>
			<u>\$ 839,483</u>

Year Ended June 30, 2024

Unearned revenue - capital projects surplus, June 30, 2023 (as previously reported)	\$ 3,619,338
Prior period adjustment	<u>(1,916,676) *</u>
Unearned revenue - capital projects surplus, June 30, 2023 (as restated)	1,702,662
2024 Activities, net	<u>21,316</u>
Unearned revenue - capital projects surplus, June 30, 2024	1,723,978
Earmarked for active/closing projects (see details below)	<u>1,143,370</u>
Currently available for reprogramming	<u>\$ 580,608</u>

List of active/closing projects:

<u>Project Number</u>	<u>Project Name</u>	<u>Award Short Name</u>	<u>Held for Projects</u>
418005	CMF N END CONNECT DES	9400000000SCRRA29	\$ 88,775
519310	VALLEY TNNL 25 TRACK REHAB	9400000000SCRRA29	455,297
520740	RIVER ATCS/PTC/CIS/BACKHAUL	MOU.9400000000SCRA2020 A1	118,085
604001	ROLLING STOCK PROCUREMENT	MOU.POSCRRA16	206,234
61XXXX	TIER 4 #21-37	MOU.POSCRRA11	<u>274,979</u>
			<u>\$ 1,143,370</u>

* Adjustment to correct the amount previously reported and reconcile accounts with SCRRA's unbilled activity.

SCHEDULE VII

**Southern California Regional Rail Authority (SCRRA)
Metrolink Program - MOU No. SCRA2025
Supplementary Information
Schedule of Contribution to the Self Insurance Reserve by County
Year ended June 30, 2025**

	<u>TOTAL</u>	<u>METRO</u>	<u>OCTA</u>	<u>RCTC</u>	<u>SBCTA</u>	<u>VCTC</u>
Member insurance subsidy	\$ 23,236,807	\$ 12,380,441	\$ 4,442,356	\$ 2,519,398	\$ 2,960,995	\$ 933,617
Insurance expense						
Liability/Property/Auto	16,396,176	8,735,791	3,134,581	1,777,718	2,089,314	658,772
Claims/Self-Insurance	503,010	268,001	96,164	54,538	64,097	20,210
Claims administration	2,068,375	1,102,018	395,427	224,259	263,567	83,104
Total insurance expense	<u>18,967,561</u>	<u>10,105,810</u>	<u>3,626,172</u>	<u>2,056,515</u>	<u>2,416,978</u>	<u>762,086</u>
Surplus	\$ <u>4,269,246</u>	\$ <u>2,274,631</u>	\$ <u>816,184</u>	\$ <u>462,883</u>	\$ <u>544,017</u>	\$ <u>171,531</u>

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Finding #2025-001: Late Submission of Invoices

Criteria

Article 7 paragraph 5 of MOU No. SCRA2025 states that, "SCRRA shall submit an invoice to the LACMTA CPD within 30 days after the end of each quarter (every 3 months). LACMTA shall pay SCRRA 30 days after receipt of each quarterly invoice."

Condition

SCRRA was unable to submit the quarterly invoices required by Metro in a timely manner. In FY25, SCRRA submitted six invoices late. This included three Q1 invoices, which were submitted 38 to 103 days past the deadline, and one late invoice each for Q2, Q3, and Q4, submitted 57 to 71 days after the required timeframe.

This is a repeat finding from Fiscal Year 2024.

Cause

Due to the extended timeline required for the review, approval, and payment of Metrolink's Outside 20' invoices—typically ranging from 90 to 180 days—the associated documentation cannot be finalized within the reporting window established in the MOU. As a result, the reports, which are submitted within 30 days following final approval and payment, cannot be prepared and issued in accordance with the current reporting requirements.

Effect

SCRRA is not in compliance with the requirements of Article 7 paragraph 5 of MOU No. SCRA2025.

Recommendation

We recommend that SCRRA implement a policy to strictly monitor the adherence of the responsible parties to the compliance requirements of the Memorandum of Understanding.

Management's Response

The Outside 20' project was funded in FY25 under a cost-reimbursement arrangement, requiring SCRRA to submit invoices to LACMTA only after paying the vendors performing work under the project scope. Under the current contractual agreement, the lead vendor is permitted to submit its final invoices more than 65 days after the close of each monthly service period. Additional time is then required for SCRRA to review, approve, and process these invoices prior to billing LACMTA.

Given these contractual provisions and the full duration of the invoice processing cycle, SCRRA was not able to comply with the 30-day billing requirement established in the MOU.

Corrective Action Plan

The Outside 20' project was restructured in FY26 and is no longer administered as a cost-reimbursed project. This change is reflected in the FY26 MOU, under which invoicing to LACMTA for project-related costs is no longer required. As a result, the conditions that previously led to delayed billing no longer exist.

Under the revised FY26 MOU, SCRRA is required only to submit quarterly activity reports within 30 days following the end of each quarter. This reporting requirement is not dependent upon the timing of vendor invoice submissions or payments. SCRRA has established internal controls and streamlined processes to ensure that all quarterly reporting is completed in accordance with the required timelines. SCRRA has remained fully compliant with these reporting requirements through Q2 FY26.

STATUS OF PRIOR YEAR FINDING

Finding #2024-001: Late Submission of Maintenance MOU Invoices

Criteria

Article 3 Amendment No. 3 to MOU No. SCRA2024 states that, "All FY24 quarterly invoices must be submitted to LACMTA Facilities Contracted Maintenance (FCM) no later than September 30, 2024. LACMTA FCM will reconcile FY24 expenditures upon receipt of all complete quarterly invoices from SCRRA."

Condition

SCRRA submitted its invoices for the Maintenance MOU supplemental funding on October 17, 2024, and December 18, 2024, which were 17 and 79 days late, respectively, beyond the due date of September 30, 2024.

Cause

Work orders from Metrolink were not submitted to the vendors, reviewed for proper billing, or submitted for payment to accounts payable in a timely manner.

Effect

SCRRA is not in compliance with the requirements of Article 3 of Amendment No. 3 to MOU No. SCRA2024.

Recommendation

We recommend that SCRRA implement a policy to strictly monitor the adherence of the responsible parties to the compliance requirements of the Memorandum of Understanding.

Management's Response

Metrolink will focus on the timely submission of work orders to the vendors, promptly review invoice billing from the vendors, and submit to Metrolink Accounts Payable in order to meet all applicable deadlines of the Metro MOU.

Status

This is a repeat finding in Fiscal Year 2025. See Finding #2025-001.

EXIT CONFERENCE

An exit conference was held on February 20, 2026 with SCRRA's representatives. Those in attendance were:

Vasquez & Company LLP representatives:

Cristy Canieda – Audit Partner
Erica Ong – Senior Audit Manager

Metro representatives:

Yvette Ford – Senior Manager, Transportation Planning

SCRRA representatives:

Tom Schamber – Chief Financial Officer
Alex Barber – Assistant Director, General Accounting
Christine Wilson – Assistant Director, Finance
Nancy Perez – Assistant Director, Grants
Marcus Tapia – Financial Analyst II
Luis Carrasquero – Deputy Chief Operating Officer
Elisabeth Lazuardi – Director, Internal Audit
Andrew Hong – Senior Auditor, Internal Audit

Matters discussed:

The results of our audit disclosed an instance of noncompliance with the Guidelines or Agreement.

A copy of this report was forwarded to the following SCRRA representatives for comments prior to the issuance of the final report.

Tom Schamber – Chief Financial Officer
Alex Barber – Assistant Director, General Accounting
Elisabeth Lazuardi – Director, Internal Audit
Andrew Hong – Senior Auditor, Internal Audit



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Internal Audit Quarterly Update FY2026-Q3

Receive and file.

Items Discussed

- Internal Activities
 - FY2026 Annual Audit Update included in Attachment A
 - CEO Request - System Safety Program Plan – Safety Assurance is completed.
 - Updated Charter and P&P approved in March.
 - External Quality control review – Internal Audit Peer Review was completed with no findings.
- External Activities
 - FY2025 Comprehensive Annual Financial Report and the Single Audit was completed.
 - FY2025 LACMTA MOU Audit was completed.
 - FTA Triennial Review is in progress.



METROLINK

Thank you.



ITEM ID: 2026-183-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Elisabeth Lazuardi, Director, Audit

SUBJECT: Corrective Action Status Update - Third Quarter Ended March 31, 2026

Issue

The Internal Audit Department (Internal Audit) provides the Board with a quarterly report on the status of the corrective actions of prior audits.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics, and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. By monitoring the status of corrective actions, we are providing transparency as to the status of business process improvements agency wide.

Background

At the July 28, 2017, Board meeting, the Board directed Internal Audit to provide quarterly updates on corrective actions on internal and external audits.

Discussion

For the third quarter ended March 31, 2026, 12 items were implemented and verified, 2 items implemented pending verification, no items past due, and 21 items not yet due.

The reporting of the corrective actions contains two attachments. Attachments A and B reflect all internal and external audits completed through March 31, 2026. The status of the corrective actions for these audits has been updated through the transmittal date of this report.

Attachment A: Corrective Action Outstanding Items. The attachment includes items that were not yet due, were past due, or were pending implementation as of March 31, 2026. Corrective actions related to external audit findings will remain on Attachment A until the external auditors clear those findings.

Attachment B: Corrective Action Closed Items. The attachment includes items that were implemented and verified or closed.

Table 1 below summarizes the activities from Attachments A and B up through the Third Quarter of FY 2026.

Table 1: Summary of Corrective Actions Activities

Audit Reports Issued for Q3 FY 2026	Report Date	Implemented	Implemented - Pending Verification	Past Due	Not Yet Due
2025-06-IA TPA Project Administration	2/9/2026				6
Subtotal - Current					6
Audit Reports Issued before Q3 FY 2026					
2025-04-IA Contract Expiration Performance Audit	11/20/2025	2			4
2025-05-IA Deactivation of Employee Badges	2/25/2025	5			
2024-05-IA Contractors' Physical Access Deactivation	12/21/2023	1			
2024-06-IA Contract OP151-21-NRPC (Amtrak)	6/3/2025	1			3
2024-14-IA PMO Baseline PM Schedule Audit	1/13/2025	2			1
2023-05-IA HR Recruitment & Selection Process	6/22/2023				2

2022-04-IA External DBELO and Labor Compliance	1/17/2023		1		1
2021-12-CA Bench Contract Vendor Selection Process	1/4/2022		1		
2026-01-EA ACFR & Single Audit FY 2025	12/8/2025				2
2025-09-EA ACFR & Single Audit FY 2024	12/15/2024	1			
2026-10-EA LACMTA MOU FY 2025	2/28/2026				1
2025-10-EA LACMTA MOU FY 2024	2/28/2025				1
Subtotal - Prior		12	2		15
Total Q3 FY 2026		12	2		21

Notes:

DBELO & LC = Disadvantaged Business Enterprise Liaison Officer & Labor Compliance

ACFR = Annual Comprehensive Financial Report

Next Steps

Internal Audit will continue reporting on the status of the corrective actions.

Prepared by: Andrew Hong, Senior Auditor

Approved by: Elisabeth Lazuardi, Director, Audit

Attachment(s)

[Attachment A - Corrective Action Items - Outstanding Q3 FY2026](#)

[Attachment B - Corrective Action Items - Closed Q3 FY2026](#)

[Presentation - Corrective Action Status Update Q3 FY 2026](#)

CORRECTIVE ACTION - OUTSTANDING ITEMS (as of 3/31/2026)

PROJECT #	PROJECT NAME	REC#	RECOMMENDATION	CORRECTIVE ACTION PLAN	DEPT	QTRLY DUE DATE	STATUS
INTERNAL AUDITS							
2025-06-IA	Third-Party Agreement (TPA) Project Administration	1	The Finance Department management should revise Finance Policy FIN-9.5 and develop detailed SOPs to provide guidance for TPA administration.	The Finance Department is currently revising Finance Policy 9.5 and the related SOP. All matters identified in this audit will be addressed.	Finance	FY26-Q4	Not Yet Due
2025-06-IA	Third-Party Agreement (TPA) Project Administration	2	The Program Delivery Department management should establish TPA specific SOPs covering the full project lifecycle, including agreement negotiation, project initiation, coordination with Finance, and project closeout procedures.	Program Delivery will revise the existing PMO SOP PC-1 for Project Initiation to include language addressing the Recommendations, along with modifications required to incorporate PMIS. Reference will be made to existing procedures where applicable.	Program Delivery	FY26-Q4	Not Yet Due
2025-06-IA	Third-Party Agreement (TPA) Project Administration	3	The Finance Department, in collaboration with the Program Delivery Department and Operations Department, should develop and implement formal reporting standards that establish appropriate criteria for TPA project updates to the Board and stakeholders.	The Finance Department will lead the development and delivery of a quarterly report on TPA activity to the Board, with assistance from Program Delivery and Operations.	Finance	FY26-Q4	Not Yet Due
2025-06-IA	Third-Party Agreement (TPA) Project Administration	4	The Finance Department management should develop a Standard Operating Procedure (SOP) for project code assignment.	The Finance Department is currently developing a comprehensive SOP for TPA projects that will incorporate guidance on project code assignments. The Finance Department will collaborate with the IDTS Department to develop automated reporting that captures TPA activity quickly and comprehensively.	Finance	FY27-Q1	Not Yet Due
2025-06-IA	Third-Party Agreement (TPA) Project Administration	5	The Finance Department management should implement a system-generated report capturing all TPA projects.	The Finance Department is currently developing a comprehensive SOP for TPA projects that will incorporate guidance on project code assignments. The Finance Department will collaborate with the IDTS Department to develop automated reporting that captures TPA activity quickly and comprehensively.	Finance	FY27-Q1	Not Yet Due
2025-06-IA	Third-Party Agreement (TPA) Project Administration	6	The Finance Department management should collaborate with Program Delivery and Operations management to establish a formal TPA project report for all TPA projects agencywide and the formal reconciliation process between data sources.	The Finance Department is currently developing a comprehensive SOP for TPA projects that will incorporate guidance on project code assignments. The Finance Department will collaborate with the IDTS Department to develop automated reporting that captures TPA activity quickly and comprehensively.	Finance	FY27-Q1	Not Yet Due
2025-04-IA	Contract Expiration Performance Audit	1	Revise SOP CP-02 to require all amendments to be fully executed before contract expiration.	Revise SOP CP-02 to clearly state that all amendments must be signed by all parties before contract expiration.	CPMM	FY26-Q2 FY26-Q3 FY26-Q4	Not Yet Due

CORRECTIVE ACTION - OUTSTANDING ITEMS (as of 3/31/2026)

PROJECT #	PROJECT NAME	REC#	RECOMMENDATION	CORRECTIVE ACTION PLAN	DEPT	QTRLY DUE DATE	STATUS
2025-04-IA	Contract Expiration Performance Audit	3	Build key controls into the new Contract Lifecycle Management (CLM) system, such as automated expiration alerts, ownership reassignment notifications, routing visibility, and escalation of delays.	Factor these features in the scope of the new contract management system, considering features such as: o Automated alerts and dashboards (e.g.,180, 150, 120 etc... day reminders before expiration). o Routing visibility to track amendment progress. o Automatic updates to routing status report to current Project Managers.	CPMM	FY27-Q4	Not Yet Due
2025-04-IA	Contract Expiration Performance Audit	4	Strengthen monitoring and reporting by: b. Assigning clear ownership of the report distribution list. c. Removing inactive or completed contracts from the expired tab to improve report usability.	b. Establish clear ownership and oversight of the report distribution list so that it remains current and accurate. CPMM will be responsible for updating the Contract Administrator column and working with IDTS to keep the report distribution list current. The CA will update PMs in the Oracle system as they receive items to process. c. Close completed contracts and remove them from the expired tab to improve usability and focus monitoring efforts on current items. Work with IDTS to close expired POs that do not require the formal close out process initiated by Project Managers.	CPMM	b. FY26-Q4 c. FY27-Q4	b. Not Yet Due c. Not Yet Due
2024-06-IA	Contract OP151-21 – National Railroad Passenger Corporation (Amtrak)	1	Internal Audit recommends that the Contracts and Procurement develop standardized solicitation and contract templates (based on contract type) with agency-approved terms. Any modifications to these templates in executed contracts must be approved by Director, CPMM and Legal.	CPMM to work with Legal to develop new solicitation and contract templates.	CPMM	FY26-Q4 FY27-Q2	Not Yet Due
2024-06-IA	Contract OP151-21 – National Railroad Passenger Corporation (Amtrak)	2	Internal Audit recommends that the Contracts and Procurement implement a contract management system to track key dates, send automated alerts, and store contract documents, ensuring compliance and preventing missed deadlines.	CPMM to collaborate with IDTS to implement a Contract Lifecycle Management (CLM) system. Funding in the FY27 budget is needed.	CPMM IDTS	FY27-Q4	Not Yet Due
2024-06-IA	Contract OP151-21 – National Railroad Passenger Corporation (Amtrak)	4	We recommend that Finance research and evaluate the feasibility of implementing agency-wide training programs on Federal Cost Principles requirements to improve staff understanding, reduce the risk of noncompliance, and help prevent future overpayments. This training should be designed to support staff involved in administering future federally funded contracts.	Finance will examine the feasibility of implementing an agency-wide training program on Federal Cost Principles to improve staff understanding and support compliance with federally funded contracts. b. If feasible, Finance will develop and roll out the training.	Finance	4b. FY26-Q4	4b. Not Yet Due

CORRECTIVE ACTION - OUTSTANDING ITEMS (as of 3/31/2026)

ATTACHMENT A

PROJECT #	PROJECT NAME	REC#	RECOMMENDATION	CORRECTIVE ACTION PLAN	DEPT	QTRLY DUE DATE	STATUS
2024-14-IA	PMO Baseline Performance Audit	1	Update the outdated SOPs to reflect current practices, ensure alignment with other departments, in preparation for integration with the new Project Management Information System (PMIS).	1b. Refine Existing SOPs with the Consultant Work with the consultant to refine and draft updated SOPs, ensuring alignment with PMIS implementation.	PMO	1b. FY25-Q4 FY26-Q3 FY27-Q1	1b. Not Yet Due
2023-05-IA	Performance Audit: HR Recruitment and Selection Process	1.1	Include Pay Transparency Rule statement in the employee handbook and on the career website page.	HR to update policies and procedures to reflect the suggestions. HR to work with IT to update the Careers page to include the Pay Transparency Rule statement.	Human Resources	FY24-Q2 FY24-Q3 FY24-Q4 FY25-Q2 FY25-Q4 FY26-Q1 FY26-Q3 FY26-Q4	Not Yet Due Pay transparency rule statement posted in the Career site. Pay transparency rule statement will be included in the revised P&P
2023-05-IA	Performance Audit: HR Recruitment and Selection Process	1.2	Update the Record Retention Policy as noted.	The Chief Technology Officer is in the process of procuring a vendor to review the Agency's Record Retention rules (in all departments) and has included an annual subscription service so we are always in conformance with any retention changes in law, rules and regulations.	Human Resources, IDTS	FY24-Q2 FY24-Q3 FY24-Q4 (retain a consultant) FY25-Q4 FY26-Q1 FY26-Q2 FY26-Q3 FY26-Q4	Not Yet Due Record Retention Policy update is completed pending Board approval
2022-04-IA	Performance Audit: External DBELO (Disadvantaged Business Enterprise Liaison Officer) and Labor Compliance Monitoring Services Invoice Processing Controls	1	Management within Finance, Program Delivery, Special Projects, DBELO, and CPMM correct current DBE/LC work order processing defects to assure that work orders are adequately priced, costs are correctly charged, and invoices are paid in a timely fashion.	d. Team to identify corrective actions for any identified defects. e. Document (Manual, SOP, etc.), implement, create training module and monitor new DBE/LC process	DBELO CPMM Program Delivery	d. Implemented pending verification e. FY22-Q4 FY23-Q2 FY23-Q4 FY24-Q1 FY24-Q2 FY24-Q3 FY24-Q4 FY25-Q2 FY25-Q4 FY26-Q4	d. Implemented - Pending Verification e. Not Yet Due - A new procurement for the DBE and LC monitoring services and a new process development is underway

CORRECTIVE ACTION - OUTSTANDING ITEMS (as of 3/31/2026)

PROJECT #	PROJECT NAME	REC#	RECOMMENDATION	CORRECTIVE ACTION PLAN	DEPT	QTRLY DUE DATE	STATUS
2021-12-CA	Contract Audit: Bench Contract – Vendor Selection Process	6	In coordination with the Senior Management, CPMM develop appropriate amounts in which notification will be provided to Senior Management or a secondary approval by Senior Management on large CTOs. The procedures manual should be updated accordingly.	CPMM will develop the appropriate amount in which notifications will be provided to Senior Management. Furthermore, CPMM will issue a quarterly report which shows large dollar CTOs that were awarded the during the quarter. The procedures manual will be updated accordingly.	CPMM	Implemented pending verification	Implemented pending verification
EXTERNAL AUDITS							
2026-01-EA	FY25 Annual Financial and Single Audit	2025-001	Financial Statements (Financial Reporting): Because insurance settlement proceeds related to a 2015 incident were received over multiple fiscal years and not recognized in the appropriate accounting periods, the Authority should strengthen internal controls and year-end financial reporting procedures to ensure non-routine and multi-period revenues are properly identified, evaluated, and recorded in accordance with GAAP.	Management will enhance year-end close and review procedures for non-routine and multi-period transactions, including insurance settlements, to ensure revenues are recognized in the appropriate accounting period in accordance with GAAP.	Finance	FY27-Q4	Not Yet Due
2026-01-EA	FY25 Annual Financial and Single Audit	2025-002	Single Audit (Federal Awards): Because certain federally required contract provisions were not included or communicated to a contractor at the time of award for one federally funded contract, the Authority should strengthen procurement policies and procedures to ensure that all required federal contract provisions are consistently included and communicated to contractors prior to contract execution.	Management will update procurement procedures and contract templates and implement a pre-award compliance review to ensure all applicable federal contract provisions are included in federally funded contracts before award.	Finance	FY27-Q4	Not Yet Due
2026-10-EA	EXTERNAL AUDIT: LACMTA MOU FOR FY 2024	2025-001	We recommend that SCRRA implement a policy to strictly monitor the adherence of the responsible parties to the compliance requirements of the Memorandum of Understanding. This is a repeat finding, originally identified in FY 2024.	The Outside 20' project will be restructured in FY26 and will be no longer administered as a cost-reimbursed project. This change will be reflected in the FY26 MOU, under which invoicing to LACMTA for project-related costs is no longer required. As a result, the conditions that previously led to delayed billing will no longer exist. Under the revised FY26 MOU, SCRRA will be required only to submit quarterly activity reports within 30 days following the end of each quarter. This reporting requirement is not dependent upon the timing of vendor invoice submissions or payments. SCRRA will establish internal controls and streamline processes to ensure that all quarterly reporting is completed in accordance with the required timelines.	Finance	FY27-Q4	Not Yet Due

CORRECTIVE ACTION - OUTSTANDING ITEMS (as of 3/31/2026)

ATTACHMENT A

PROJECT #	PROJECT NAME	REC#	RECOMMENDATION	CORRECTIVE ACTION PLAN	DEPT	QTRLY DUE DATE	STATUS
2025-10-EA	EXTERNAL AUDIT: LACMTA MOU FOR FY 2025	2024-001	We recommend that SCRRA implement a policy to strictly monitor the adherence of the responsible parties to the compliance requirements of the Memorandum of Understanding.	Metrolink will focus on the timely submission of work orders to the vendors, review invoice billing from the vendors timely, and submit to Metrolink Accounts Payable in order to meet all applicable deadlines of the Metro MOU.	Operations/Finance	FY27-Q4	Not Yet Due

CORRECTIVE ACTION - CLOSED ITEMS (as of 3/31/2026)

PROJECT #	PROJECT NAME	REC#	RECOMMENDATION	CORRECTIVE ACTION PLAN	DEPARTMENT	STATUS
INTERNAL AUDITS						
2025-04-IA	Contract Expiration Performance Audit	2	Implement continuity procedures when Contract Administrators leave, including review of contracts nearing expiration.	As part of the off-boarding process, the Manager will review the CA workload and determine if the CA is working on amending an expired contract. If so, they will assign a new CA to complete the amendment. The CLM system will assist with this requirement, in the short term, we can enter an IPG during the mid-year performance review.	CPMM	Implemented - Verified Internal Audit obtained updated job descriptions showing manager responsibility for offboarding and tracking pending amendments.
2025-04-IA	Contract Expiration Performance Audit	4	Strengthen monitoring and reporting by: a. Using the Oracle flex field to improve data accuracy.	a. Change source of information on the Contract Status Report to the flex field that contains the specific procurement type. This functionality in Oracle is being tested and must be moved to production before the report can be updated.	CPMM	a. Implemented - Verified Reviewed with CPMM team Oracle Flex field updates have been made and put into production.
2024-05-IA	Contractors' Physical Access Deactivation Audit	3	Review the configuration of key fields in PremiSys for proper access card management.	The SSC Department, in collaboration with IDTS, will review the configuration of key fields in PremiSys.	Security, Safety and Compliance	Implemented - Verified Mitigating controls such as the SOP containing instructions to complete all fields, and reporting will serve in lieu of automated system controls.
2025-05-IA	Deactivation of Employee Badges	1a	The HR and the Safety Departments should develop HR standard operating procedures for actively managing employee and board member badges; determine if the procedures should be centralized in the SSC Department and included in SOP 3000.09 (The HR Department).	a. HR will develop a standard operating procedure for managing employees' and board members' badges to address this finding and will work with the other departments mentioned above to ensure clear roles and responsibilities.	Human Resources	Implemented - Verified The recommendation is addressed in the updated SOP 3000.09 Access Controls.
2025-05-IA	Deactivation of Employee Badges	1b	Update the SOP 3000.09 to clarify the roles and responsibilities for issuing and monitoring badges for employees and IDTS Contractors, and ensure compliance with SOP 3000.09. (The SSC Department)	b. The SSC Department will update the SOP 3000.09 to manage all contractors' and consultants' badges, including IDTS contractors, and ensure compliance with the revised SOP 3000.09.	Safety, Security, and Compliance	Implemented - Verified The recommendation is addressed in the updated SOP 3000.09 Access Controls.

CORRECTIVE ACTION - CLOSED ITEMS (as of 3/31/2026)

PROJECT #	PROJECT NAME	REC#	RECOMMENDATION	CORRECTIVE ACTION PLAN	DEPARTMENT	STATUS
2025-05-IA	Deactivation of Employee Badges	2b	Create clear instructions for filling out the necessary PremiSys fields for employee and board member records.	HR, SSC, and IDTS will follow the recommendations provided by the audit team.	Human Resources Safety, Security, and Compliance	Implemented - Verified The recommendation is addressed in the updated SOP 3000.09 Access Controls.
2025-05-IA	Deactivation of Employee Badges	2c	Establish a procedure in the HR SOP (Recommendation 1a) to review the badge records at least every six months, including PremiSys reports, and manually verify unmatched records to resolve discrepancies.	HR, SSC, and IDTS will follow the recommendations provided by the audit team.	Human Resources Safety, Security, and Compliance	Implemented - Verified The recommendation is addressed in the updated SOP 3000.09 Access Controls.
2025-05-IA	Deactivation of Employee Badges	3	The HR and the Safety Departments should establish standard operating procedures to document the collection and destruction of badges, keep records, and perform regular audits to verify compliance.	a. HR will use current technology to track ID badges and create a process to document the collection and destruction of badges. b. SSC will update SOP 3000.09 for tracking returned badges and destruction of badges.	Human Resources Safety, Security, and Compliance	Implemented - Verified The recommendation is addressed in the updated SOP 3000.09 Access Controls.
2024-06-IA	Contract OP151-21 – National Railroad Passenger Corporation (Amtrak)	4	We recommend that Finance research and evaluate the feasibility of implementing agency-wide training programs on Federal Cost Principles requirements to improve staff understanding, reduce the risk of noncompliance, and help prevent future overpayments. This training should be designed to support staff involved in administering future federally funded contracts.	Finance will examine the feasibility of implementing an agency-wide training program on Federal Cost Principles to improve staff understanding and support compliance with federally funded contracts. a. Finance will assess the feasibility of an agency-wide Federal Cost Principles training program.	Finance	4a. Implemented - verified to supporting email from CFO.

CORRECTIVE ACTION - CLOSED ITEMS (as of 3/31/2026)

PROJECT #	PROJECT NAME	REC#	RECOMMENDATION	CORRECTIVE ACTION PLAN	DEPARTMENT	STATUS
2024-14-IA	PMO Baseline Performance Audit	2	Secure a full-time estimator and scheduler to improve budget accuracy and project efficiency as noted in the Gap Analysis	a. Develop draft thresholds for using external consultants for cost estimation. - Establish draft thresholds for when a scheduler may be needed. b. Update Standard Operating Procedures (SOPs) to reflect new processes for estimators and schedulers. - Integrate PMIS scheduling procedures into SOPs.	PMO	2a. Implemented - Verified to procurement support 2b. Implemented and verified to updated SOP
EXTERNAL AUDITS						
2025-09-EA	EXTERNAL AUDIT: ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)/SINGLE AUDIT	2024-001	SCRRA did not properly review unbilled accrued receivables, resulting in \$1,004,053 of unallowable costs being recorded and later adjusted. The external Auditors recommended that SCRRA should Strengthen procedures over unbilled accrued receivables to ensure balances and related revenues are accurately recorded.	SCRRA will implement adding a step in the AR accrual process of validating all projects on the accrual spreadsheet against unbilled expenditures. The check will include all projects on the accrual journal to ensure an accurate accrual including the validation of prior year unbilled expenditures.	Finance	Implemented - Verified by External Auditor

**Corrective Action Status Update
Q3 FY 2026**

Receive and file.

Summary of Corrective Actions

Audit Reports Issued for Q3 FY 2026	Report Date	Implemented Verified or Closed	Implemented - Pending Verification	Past Due	Not Yet Due
Audit Report Issued During Q3 FY 2026					
2025-06-IA TPA Project Administration	2/9/2026		0	0	6
Audit Reports Issued Prior to Q3 FY 2026					
2025-04-IA Contract Expiration Performance Audit	11/20/2025	2	0	0	4
2025-05-IA Deactivation of Employee Badges	2/25/2025	5			
2024-05-IA Contractors" Physical Access Deactivation	12/21/2023	1			
2024-06-IA Contract OP151-21-NRPC (Amtrak)	6/3/2025	1	0	0	3
2024-14-IA PMO Baseline PA	1/13/2025	2	0	0	1
2023-05-IA HR Recruitment & Selection Process	6/22/2023		0	0	2
2022-04-IA External DBELO & Labor Compliance	1/17/2023		1	0	1
2021-12-CA Bench Contract – Vendor Selection Process	1/4/2022		1	0	0
2026-01-EA ACFR & Single Audit FY 2025	12/8/2025		0	0	2
2025-09-EA ACFR & Single Audit FY 2024	12/15/2024	1			
2026-10-EA LACMTA MOU FY 2025	2/28/2026		0	0	1
2025-10-EA LACMTA MOU FY 2024	2/18/2025		0	0	1
Total Q3 FY 2026		12	2	0	21



METROLINK

Thank you.

For questions contact us at:
Lazardie@scrra.net



ITEM ID: 2026-171-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Tom Schamber, Chief Financial Officer

SUBJECT: Quarterly Report of Contracts Awarded and Executed Under the Chief Executive Officer's Authority

Issue

The Board of Directors approved the Authority's revised Procurement and Contracting Policies (Revised Policies) on November 8, 2019. Section 3 of the Revised Policies requires the Chief Executive Officer (CEO) to provide a quarterly report to the Board with a list of contracts awarded above \$250,000 and under the CEO's contract award authority of \$500,000.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. Increasing the CEO's authority to \$500,000 has allowed for the expedited award of contracts.

Background

On July 26, 2019, the Board authorized the CEO to execute Contracts with third parties up to \$500,000. Upon its approval of the Revised Policies the Board also requested that the CEO

provide a quarterly report to the Board with a list of contracts awarded under the CEO's new authority level and between \$250,000 and \$500,000. This requirement is included in Section 3 of the Revised Policies.

This report meets these Board report requirements for the Third quarter of FY 2026, which covers January 1, 2026 through March 31, 2026.

Discussion

In the reporting period, the CEO awarded the following contracts valued between \$250,000 and \$500,000:

Contract/PO	Supplier	Scope of work	Method of procurement	Amount	Date awarded
MS348-26	Orkin	Insect Control Services (Rolling Stock) - PO Approval through Sourcwell Cooperative No. 012825-ORK through 3/5/2029	Cooperative Agreement	\$333,840	1/12/2026
PO1031-26	KWD AG	Spider Shaft Kits for F125 Locomotives - KWD Kupplungswerk Dresden AG	Single Source	\$350,000	1/14/2026
SP648-26	Elerts Corporation	Mobile Reporting Application: ELERTS - Sole Source Procurement Approval (Annual Subscription)	Sole Source	\$267,184	1/14/2026
PO1039-26	Voith, US Inc.	Couplers F/ F125 Locomotives and Rotem Cars - Single Source Procurement Approval	Single Source	\$250,000	1/20/2026
LI323-26	ADP, Inc.	Payroll Services and HR/Benefits Solution - Approve single source justification	Single Source	\$404,000	1/23/2026
SP641-26	NLG Communications	Public Relations Support - Approve Award	Contract	\$474,500	1/27/2026

PO1040-26	ORX Railway Corp	Repair and Return of Bi-Level and Locomotive Wheels	Single Source	\$320,000	1/27/2026
SP639-26	NWC Partners	Fare Policy Performance and Compliance Analysis	RFP	\$500,000	3/5/2026
PO1041-26	Motivepower LLC	Motivepower OEM Locomotive Parts	Sole Source	\$450,000	3/10/2026
PO1047-26	Hyundai Rotem USA	Purchase of Hyundai Rotem OEM parts	Sole Source	\$400,000	3/10/2026
PO1030-26	Integrated Chemical & Equipment	Train Wash Detergent	IFB	\$495,060	3/25/2026

Next Steps

Staff will continue to report on a quarterly basis the contracts awarded and executed by the CEO. The next update will cover activity from April 1 through June 30, 2026.

Prepared by: Salima Mulji, Business Analyst I
 Angelos Kastrisianakis, Sr. Manager, Contracts and Compliance

Approved by: Tom Schamber, Chief Financial Officer

Attachment(s)

[Presentation - FY26 Q3 Quarterly Report of Contracts](#)

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Quarterly Report of Contracts Awarded Third Quarter of FY26

Receive and file.





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Background

- The Board has previously authorized the CEO to execute Contracts with third parties, up to \$500,000.
- The Board requested that the CEO provide a quarterly report for awards between \$250,000 - \$500,000.
- This report is for agreements awarded in the period between January and March 2026 (FY26 Q3).

Background

In the reference period, the CEO awarded the following agreements:

Contract Number	Entity	Amount	Description	Award Date	Procurement method
MS348-26	Orkin	\$333,840	Insect Control Services (Rolling Stock)	1/12/2026	Cooperative
PO1031-26	KWD AG	\$350,000	Spider Shaft Kits for F125 Locomotives	1/14/2026	Single Source
SP648-26	Elerts Corporation	\$267,184	Mobile Reporting Application: ELERTS	1/14/2026	Sole Source
PO1039-26	Voith, US Inc.	\$250,000	Couplers for F125 Locomotives and Rotem Cars	1/20/2026	Single Source
LI323-26	ADP, Inc.	\$404,000	Payroll Services and HR/Benefits	1/23/2026	Single Source
SP641-26	NLG Communications	\$474,500	Public Relations Support	1/27/2026	Contract
PO1040-26	ORX Railway Corp	\$320,000	Repair and Return of Bi-Level and Locomotive Wheels	1/27/2026	Single Source

Background

In the reference period, the CEO awarded the following agreements:

Contract Number	Entity	Amount	Description	Award Date	Procurement method
SP639-26	NWC Partners	\$500,000	Fare Policy Performance and Compliance Analysis	3/5/2026	RFP
PO1041-26	Motivepower LLC	\$450,000	Motivepower OEM Locomotive Parts	3/10/2026	Sole Source
PO1047-26	Hyundai Rotem USA	\$400,000	Purchase of Hyundai Rotem OEM parts	3/10/2026	Sole Source
PO1030-26	Integrated Chemical & Equipment	\$495,060	Train Wash Detergent	3/25/2026	IFB



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Thank you.

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ITEM ID: 2026-190-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Alberto Lara, Chief People Officer

SUBJECT: Quarterly Compensation Report - 3rd Quarter of Fiscal Year 2026 - January 1, 2026 through March 31, 2026

Issue

In compliance with HR Policy No. 2.1, Wage and Salary Administration – Salary Program Administration, staff is required to make quarterly and annual reports to the Board on compensation matters.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. As required by the HR Policy No. 2.1, Wage and Salary Administration – Salary Program Administration, staff is required to make quarterly reports to the Board on all compensation matters to maintain transparency.

Background

In accordance with the HR Policy No. 2.1, Wage and Salary Administration – Salary Program Administration, the Board requires the Chief People Officer to report all salary placements for

new hires, promotions, demotions, reclassifications, and other changes in employee compensation to the Board on a quarterly basis.

Discussion

There were 16 compensation transactions that occurred during the second quarter of fiscal year 2026, January 1, 2026, through March 31, 2026. The compensation transactions are summarized below and in Attachment A, and described in detail in Attachment B:

New Hires	7
Promotions	4
Additional Pay Temp.	1
ATU Salary Increase	1
Return from Acting Pay	3
TOTAL	16

In addition, there were 3 Separations (attrition rate - 1.1%), and the position vacancy rate was 4.6%.

Promotions

In accordance with the HR Policy No. 2.1, Section 1.5 – Promotions:
A promotion is awarded when an employee moves from his/her current job classification to another when the new job classification is at least one salary grade higher than the previous job classification. The following factors may be taken into consideration in determining a promotional increase:

The employee’s new salary shall not be less than the minimum of the new salary range. The salaries and qualifications of employees in the same or similar positions and/or the same grade shall be taken into consideration to ensure internal equity. Demonstrated past performance and strength of experience and qualifications shall be considered in relation to the salary placement.

An internal promotion to the position of Director, Communications was affected. The selected candidate had been acting in this capacity previously. A 45.08% increase in compensation was authorized by the CEO to maintain internal equity within the salary grade for the position. The minimum qualification for this position is a Bachelor’s degree and eight (8) years of related experience. The employee possesses a Master’s degree and over ten (10) years of related experience. Additionally, the average salary for employees in a similar classification is \$206,178; hence the annual salary offered of \$195,000 reflects a reasonable and appropriate increase for the employee.

Please see the table below for salary details.

Effective February 15, 2026:

Type of Change	Current Information	Promotion Information
Job Title:	Manager II	Director, Communications
Salary Grade / Range:	Grade 10 / \$102,793 - \$159,329	Grade 12 / \$140,369 - \$217,571
Annual Salary:	\$134,404	\$195,000

Next Steps

Human Resources will continue reporting compensation transactions on a quarterly basis. The next quarterly compensation report for the fourth quarter of the fiscal year 2026 will be presented at the July Board Meeting.

Prepared by: Agavni Bagdasarian, Senior Human Resources Analyst
Alberto Lara, Chief People Officer

Approved by: Alberto Lara, Chief People Officer

Attachment(s)

[Attachment A - Board Compensation Summary Q3 FY26](#)

[Attachment B - Board Compensation Report Q3 FY26](#)

[Presentation - Compensation Report Q3 FY26](#)

ATTACHMENT A

COMPENSATION REPORT SUMMARY - THIRD QUARTER QUARTER FY26 - 1/1/2026 THROUGH 3/31/2026

Category based on H.R. Policy 2.1 Requirements	Total Number
Salary Placement for New Hire	7
Salary Placement for Promotion	4
Other Changes In Compensation	
Additional Pay - Temporary	1
ATU Salary Increase	1
Return From Acting/Additional Pay	3
TOTAL TRANSACTIONS	16

**ATTACHMENT B - COMPENSATION REPORT
THIRD QUARTER FY 26**

	POSITION/CLASSIFICATION	EFFECTIVE DATE	TYPE OF SALARY PLACEMENT	SALARY RATE (Bi-Weekly/ Hourly Rate)	PERCENT ADJUSTMENT
A. New Hire					
1	Director, Grants	01/06/2026	New Hire	\$7,692.31	NA
2	Budget Analyst II	02/03/2026	New Hire	\$4,576.93	NA
3	Business Analyst I	03/03/2026	New Hire	\$3,269.24	NA
4	Contract & Compliance Administrator	03/03/2026	New Hire	\$4,115.39	NA
5	Rail Traffic Controller	03/03/2026	New Hire	\$52.15	NA
6	Social Media Specialist	03/17/2026	New Hire	\$3,076.93	NA
7	Station Maintenance Administrator	03/17/2026	New Hire	\$4,423.08	NA
B. Promotion					
1	Senior Accountant	02/01/2026	Promotion	\$5,111.77	9%
2	Director, Communications	02/15/2026	Promotion	\$7,500.00	45.08%
3	Rail Traffic Controller	02/15/2026	Promotion	\$39.88	3.40%
4	Senior Railroad Civil Engineer	02/15/2026	Promotion	\$5,769.24	10.09%
C. Other Changes In Compensation					
1	Management Analyst II	03/02/2026	Additional Pay - Temporary	\$4,507.14	10%
2	Customer Relations Representative	02/01/2026	ATU Salary Increase	\$28.12	12.50%
3	Director, Communications	02/14/2026	Return From Acting/Additional Pay	\$5,169.40	-9.09%
4	Director, Sustainability	02/15/2026	Return From Acting/Additional Pay	\$8,078.47	-9.09%
5	Manager II	02/15/2026	Return From Acting/Additional Pay	\$6,128.04	-9.09%



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Quarterly Compensation Report 3rd Quarter FY26 January 1, 2026 - March 31, 2026

Receive and file.

Recommendation

In accordance with HR Policy No. 2.1, Wage and Salary Administration – Salary Program Administration, staff is required to make quarterly reports to the Board on compensation matters.





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Third Quarter FY26 Compensation Transactions

New Hires	7
Promotions	4
Additional Pay - Temporary	1
ATU Salary Increase	1
Return from Acting Pay	3
<hr/>	
Total	16
<hr/>	
Separations	3
Attrition Rate	1.1%
Vacancy rate	4.6%



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Thank you.