

**Board Report**

File #: 2020-0319, **File Type:** Informational Report**Agenda Number:** 38.

**CONSTRUCTION COMMITTEE
MAY 21, 2020****SUBJECT: CRENSHAW/LAX TRANSIT PROJECT****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

CONSIDER amending the Life-of-Project (LOP) budget by \$90,000,000 for the Crenshaw/LAX Transit Project (Project) of \$2,058,000,000 to \$2,148,000,000, consistent with the provisions of the Board-adopted Measure R and Measure M Unified Cost Management Policy (Attachment B).

ISSUE

The Substantial Completion date for the Project is currently forecast to be delayed to December 2020 and the revenue service in 2021. As a result, the Project LOP budget needs to be increased, requiring an additional \$90,000,000 million beginning in the second half of 2020 for Metro staff and professional service contracts to continue management and oversight of the Project. No additional funding from this LOP increase is designated for the contractor. This represents the first LOP adjustment since the beginning of construction on the Project in 2013.

BACKGROUND

The Crenshaw/LAX Transit Project is a north/south light rail line that serves the cities of Los Angeles, Inglewood, Hawthorne and El Segundo as well as portions of unincorporated Los Angeles County. The alignment extends 8.5 miles, from the Metro E (Expo) line at Crenshaw and Exposition Boulevards to a connection with the Metro Green Line south of the Aviation/LAX Station. The project provides major connections with the Los Angeles International Airport (LAX) as well as links to the C Line (Green), the E Line (Expo) and countywide bus network.

The alignment is comprised of a double-tracked rail line consisting of sections of at-grade in-street, at-grade within railroad right-of-way, aerial, and below-grade guideway sections, eight stations, park and ride facilities at two locations, utilities, landscaping, roadway improvements required by the project and a maintenance & storage facility (Division 16 - Southwestern Yard).

On June 27, 2013, the Board authorized an LOP budget of \$1,923,000,000 for the base Project. In addition, the Board authorized an increase to the LOP budget in the amount of \$135,000,000 from \$1,923,000,000 to \$2,058,000,000, for the award of options for Leimert Park Station and Hindry Station (now called Westchester/Veterans Station). The LOP budget has not been

adjusted since that time.

Metro awarded a 57-month Design/Build contract to Walsh/Shea Corridor Constructors (WSCC) for construction of the Project in August 2013 and issued a Notice to Proceed to WSCC in September 2013. WSCC's Substantial Completion date was September 2018 with a revenue service date of October 2019.

DISCUSSION

In March 2017, Metro executed a Claims and Disputes Settlement Agreement with WSCC to resolve outstanding claims and disputes up to that point in the Project. WSCC's Contract Milestones were confirmed as part of the Agreement. WSCC committed to a Substantial Completion date of May 2019 as part of an approved Completion Schedule, which still enabled the October 2019 revenue service date.

WSCC's progress in 2018 fell behind the Completion Schedule dates agreed upon in the Claims and Disputes Settlement Agreement. Metro was informed by WSCC that, due to delays, it would not be able to complete its work by the projected deadline in the Completion Schedule. Since WSCC was not able to demonstrate that its forecasted delay was an Excusable Delay or a Compensable Delay under the Contract Terms and Conditions, Metro executed a Non-Compensable Time Extension. A Unilateral Change Order (CO-223.1) was executed in September 2018 resetting the Project Substantial Completion to December 11, 2019.

In 2019, the project continued to fall behind the dates reset in the Non-Compensable Time Extension. There have been several areas of work along the alignment that could not be completed due to damaged, incomplete and missing components (rework). This rework plus other performance and resource issues caused the contractor's progress to be less than planned, impacting WSCC's follow-on subcontractors work and creating inefficient performance. Metro has been assessing liquidated damages.

Due to extending the Project's Substantial Completion date, additional funding is now required. The existing LOP budget includes funding obligations for the contractor's work, but the LOP budget needs to be amended to provide additional funding for professional services that are required to support the completion of the Project. The required support includes Metro staff and professional services consultants who provide various services to assist in the management and oversight of the Project. The funding in Recommendation A is requested to provide support to achieve Substantial Completion in December 2020 and to allow revenue service to commence in 2021. A detailed breakdown of the proposed uses for the additional \$90 million LOP is contained in Attachment C.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an impact on established safety standards for Metro's construction projects.

FINANCIAL IMPACT

Funds required through fiscal year 2020, in the amount of \$127,950,000, are included in Project 865512 Crenshaw/LAX Transit Project, in Cost Center 8510 (Construction Project Management).

Since this is a multi-year capital project, the Chief Program Management Officer and the Project Manager will be responsible for budgeting costs in future fiscal years.

Impact to Budget

The sources of funds for the recommended actions are local funds available and eligible at the time of expenditure, including operating eligible funding sources. Eligible federal funds will also be utilized to fund the increase.

Multiyear Impact

The sources of funds for the Project are capital funds identified in the recommended Funding/Expenditure Plan as shown in Attachment A. The project cost, prior to the proposed cost increase, is included and funded in the 2019 Long Range Transportation Plan Financial Forecast. With respect to the \$90,000,000 increase, Attachment B shows the Measure R and Measure M Unified Cost Management Policy (the Policy) analysis and funding strategy required for cost increases to Measure R Projects.

To comply with the Policy of the Metro Board of Directors, Metro staff has evaluated potential offsetting cost reductions, including value engineering, shorter segment, and reductions to other Metro projects in the corridor and subregion, and has determined these are not feasible, and that additional local funding resources (i.e., funding specific to the affected corridor or subregion), which are to be considered prior to Metro's countywide funding, are potentially available. The Policy analysis identifies a Measure M multi-year subregional program, Measure R highway program, and federal formula CMAQ funding as available funding sources in the Long Range Transportation Plan Financial Forecast that can address the \$90,000,000 cost increase. Metro staff has discussed the potential funding sources with representatives of each subregion and recommends the use of \$46.7 million from the subregional equity program (with the subregion's share based on a proportion to be agreed upon by the subregions), \$33.1 million of CMAQ, and the remaining \$10.2 million of other regional funds to cover the LAX portion of the project as it is a regional facility within LA County. The use of the subregional equity program will be subject to approval by the governing body of each subregion. Metro has allocated funding for the SEP starting in FY 2043 in the Long Range Transportation Plan Financial Forecast and has not developed yet an administrative process to program SEP funds to the subregions. Staff plans to discuss this further in the June/July Board cycle.

Attachment B provides a detailed discussion of the Policy. In summary, the Policy was developed in recognition that some projects would need additional funding and the Policy provides a consistent and equitable process to assure that any financial impacts are limited to the subregion where the project is located and not have a region-wide impact.

The Policy defines a cascading list of actions that can be taken. Because the Project is so far along,

actions such as value engineering or changes in scope are no longer feasible. Additional funding is the only option.

The table at the end of Attachment B identifies the potential funding sources that are available and recommended funding. The selection and application of specific resources has involved the affected stakeholders but requires further discussion.

It is important to note that the Project spans two subregions - South Bay and Central City - and a method to determine each subregion's share of the funding for the cost increase will need to be identified. Metro staff will conduct outreach to the subregions for their consensus and approval.

The most recent project to be evaluated under the Policy was the Foothill Extension to Pomona in 2019. Although the two projects are not directly comparable (Foothill was not yet under construction, so had more opportunity for scope changes), there are similarities that could be instructive.

In that case, the financial deficit was addressed by the subregional equity program of the San Gabriel Valley. Funds were accelerated to be taken from the subregional equity pool in the year that funding became available (2043). A board motion directed this approach and was subject to approval by the San Gabriel Valley Council of Governments.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports Strategic Plan Goal #1 - Provide high-quality mobility options that enable people to spend less time traveling.

ALTERNATIVES CONSIDERED

The Board may choose to not move forward with amending the LOP Budget. This is not recommended as Metro will be unable to provide funding for Metro staff or obligate any extension to existing professional service contracts, or other required services beyond June 2020.

NEXT STEPS

Upon approval by the Board, the LOP Budget will be amended accordingly per the Recommendation.

Metro staff will continue discussions with each subregion and identify the proportional shares that each subregion will contribute to the LOP increase, and work with the governing bodies of the subregions to obtain their approval for the use and amount of subregional equity program funds. Metro staff will make every effort to conclude these steps within three months and report back to the Board with an update at that time.

ATTACHMENTS

Attachment A - Funding/Expenditure Plan

Attachment B - Measure R and Measure M Unified Cost Management Policy Analysis

Attachment C - Projected Breakdown of Cost Allocation for \$90 million

Attachment D - SBCCOG letter to Metro CEO

Prepared by:

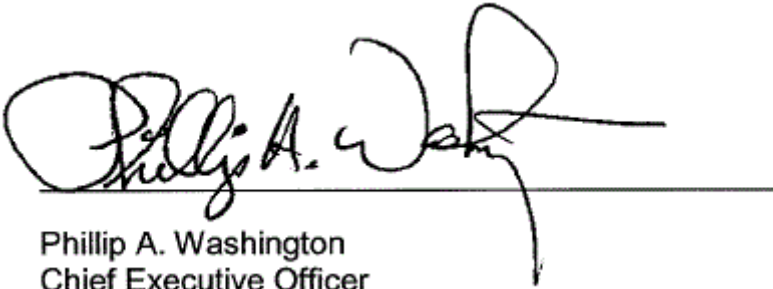
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Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

Crenshaw/LAX Transit Project
Funding / Expenditure Plan*
(Dollars in Millions)

Capital Project 865512	Prior	FY20**	FY21	FY22	FY23	FY24	TOTAL
Uses of Funds							
Construction	1,267.1	15.1	73.8	10.0	-	-	1,366.0
Right-of-Way	132.4	1.4	-	-	-	-	133.8
Vehicles	78.8	4.7	-	-	-	-	83.6
Prof Services	364.3	46.3	78.0	30.0	20.0	-	538.6
Project Contingency	-	-	-	-	-	-	-
Subtotal	1,842.6	67.5	151.8	40.0	20.0	-	2,122.0
Environmental Planning	26.0						26.0
Total Project Costs:	1,868.6	67.5	151.8	40.0	20.0	-	2,148.0
Sources of Funds							
FEDERAL - CMAQ	54.0	50.0	-	-	-	-	104.0
FEDERAL - SECTION 5309 BUS CAPITAL	8.6	-	-	-	-	-	8.6
FEDERAL - REGIONAL STP	91.2	-	8.7	-	-	-	99.9
FEDERAL - ALTERNATIVE ANALYSIS	1.2	-	-	-	-	-	1.2
FEDERAL - TIGER II	13.9	-	-	-	-	-	13.9
STATE REGIONAL IMPROVEMENT PROG	36.6	-	-	-	-	-	36.6
STATE PPM	0.2	-	-	-	-	-	0.2
STATE PROP 1B PTMISEA	128.9	-	-	-	-	-	128.9
STATE PROP 1 B LOCAL PARTNERSHIP PROGRAM	49.5	-	-	-	-	-	49.5
MEASURE R - TIFIA LOAN	545.9	-	-	-	-	-	545.9
MEASURE R 35%	467.5	4.5	92.3	(20.0)	-	(15.0)	529.3
CITY CONTRIBUTION	43.6	3.1	20.0	20.0	-	15.0	101.7
GENERAL FUNDS	54.3	-	-	-	-	-	54.3
PROPOSITION C 25% HIGHWAY	368.4	9.9	(20.0)	20.8	-	-	379.1
PROPOSITION C 40% DISCRETIONARY	-	-	-	-	-	-	-
PROPOSITION A 35% RAIL CAPITAL	4.9	-	-	-	-	-	4.9
Local/Federal Sources		-	50.8	19.2	20.0	-	90.0
TOTAL:	1,868.7	67.5	151.8	40.0	20.0	-	2,148.0

*Sources of funds are subject to change. Assumes Contractor Substantial Completion December 2020 and Metro

**FY20 is projected.

Crenshaw/LAX Transit Project

Measure R and Measure M Unified Cost Management Policy Analysis

Introduction

The Measure R and Measure M Unified Cost Management Policy (the Policy) was adopted by the Metro Board of Directors in June 2018. The precursor Measure R cost management policy was adopted in March 2011. The intent of the Policy is to inform the Metro Board of Directors regarding cost increases to Measure R- and Measure M-funded projects and the strategies available to close a funding gap. The Crenshaw/LAX Transit Project (the Project) is subject to this policy analysis.

The life-of-project (LOP) budget for the Project was last approved by the Board in June 2013 at \$2,058,000,000. The Project is subject to the Policy analysis now due to a proposed \$90,000,000 increase to the LOP budget. Funding for the cost increase is needed through FY 2023. This analysis recommends trade-offs required by the Policy to identify the funds necessary to meet the cost increase.

The Project has previously recognized cost increases and the Metro Board implemented the Policy in June 2013 to address a \$160,100,000 cost increase to the base project (excluding a \$135,000,000 increase to the LOP for station improvements that were not considered cost increases). The Board approved funding of the cost increase using \$149,910,000 of the countywide share of Proposition C 25% and \$10,090,000 that was taken from the Wilshire Bus Rapid Transit project.

Measure R and Measure M Unified Cost Management Policy Summary

The adopted Policy stipulates the following

If a project cost increase occurs, the Metro Board of Directors must approve a plan of action to address the issue prior to taking any action necessary to permit the project to move to the next milestone. Increases will be measured against subsequent actions on cost estimates taken by the Metro Board of Directors, including the determination of the budget. Shortfalls will first be addressed at the project level prior to evaluation for any additional resources using these methods in this order as appropriate:

- 1) Scope reductions;
- 2) New local agency funding resources;
- 3) Value Engineering;
- 4) Other cost reductions within the same transit or highway corridor;
- 5) Other cost reductions within the same sub-region; and finally,
- 6) Countywide transit or highway cost reductions or other funds will be sought using pre-established priorities.

Scope Reductions

The Project cost increase is attributable to schedule delays and the need for additional Metro project management support services. Any attempt to identify and negotiate agreeable reductions to the scope may result in further delays and potential additional costs. Because of this, we recommend moving to the next step.

New Local Agency Funding Resources

Local funding resources (i.e., specific to the affected corridor or subregion) are considered in the next step as opposed to countywide or regional sources so as not to impact the funding of other Metro Board-approved projects and programs or subregions in the County.

The Project is eligible for both Measure M and Measure R funding and is currently allocated \$1,207,000,000 of funding that is identified in the Measure R sales tax ordinance Expenditure Plan, less \$131,800,000 that the Board reallocated to the Purple Line Extension project (Board item #2015-1630) to address a Regional Connector cost increase.

The Project is located in the South Bay and Central City Area subregions (as defined in the Policy, as amended), with station locations in the cities of Los Angeles and Inglewood. Local funding resources from both the subregions and cities could be considered for the cost increase.

Subregional Programs and Local Agency Contributions

Measure M includes funding for a transit-eligible multi-year subregional program (MSP) for the South Bay and Central City Area subregions. The subregion (represented by its Council of Governments) could allocate a portion of the funding for the Project. Measure R includes funding for a "highway program" in the South Bay. Any use of this funding source would require a transfer to the transit fund and an amendment of the Measure R ordinance so that the funds are eligible for a transit use. The Measure R transfer amendment is in progress and expected to be considered by the Metro Board in June 2020.

Local Agency Contributions

The cities with Project stations have agreed to contribute funding to the Project as part of the 3% local agency funding assumption included in the Measure R ordinance. Metro is front-funding the Los Angeles share of \$89.7 million with the city making payments to Metro through FY 2023. Inglewood has agreed to pay \$12 million, with \$6 million in-kind for future first-last-mile improvements, and \$6 million in payments made over 40 years (with no payments or interest accrued for ten years). The cities are generally not responsible for cost increases to the projects and this restriction is included in the local agency contribution agreements between Metro and the cities.

Measure M, as well as Measure R and Propositions A and C, provide “local return” funding to Los Angeles and Inglewood. The cities will receive an estimated \$3.3 billion of local return (Los Angeles \$3.2 billion, Inglewood \$90 million) over the ten year period FY 2021 to FY 2030 that is eligible for transit use and could contribute a portion to the Project (not adjusted for any negative impact to countywide sales tax due to the current global pandemic). However, prior Board actions relating to the Twenty-Eight by '28 Initiative and funding for the cost increase to Foothill Extension to Pomona did not support use of local return, and it is presumed these funds would not be available for the cost increase to the Project.

State and Federal Funding (Discretionary)

The State has previously granted the project \$129.1 million through Prop 1B grants and the USDOT has provided funding through a \$13.9 million TIGER grant and \$545.9 million TIFIA loan. Additional State or federal discretionary funding (where Metro would compete for the funding) is not probable, given the Project has experienced multiple cost increases and the design/build contract is already awarded.

Value Engineering

The Project cost increase is attributable to schedule delays and the need for additional Metro project management support services. Any attempt to identify and negotiate agreeable value engineering may result in further delays and potential additional costs. As a result, we recommend moving to the next step.

Other Cost Reductions within the Same Transit or Highway Corridor, or within the Same Sub-region

The cities and subregions have existing funding programs that have funding amounts yet to be spent. The potential use of the MSP, SEP, and Measure R highway program are discussed above in section "New Local Agency Funding Resources."

The cities also receive funding through the Call-For-Projects, the competitive grant program that is funded and managed by Metro for the benefit of LA County cities, transit operators, and State highway projects that was last held in 2015. At times the funding for certain projects in the Call-For-Projects is "de-obligated" if not spent within a reasonable timeframe and this can be a funding source for other uses. Currently there is not a meaningful amount of de-obligated funds available, and all other projects are moving through their respective development process.

The Project is within the same corridor as the Airport Metro Connector, the planned Project station intended to be a gateway to LAX. This project is currently in final design and pending a construction bid in mid-2020 to determine the LOP budget. Funding is not yet available from the project.

Countywide Cost Reductions and/or Other Funds

If new local agency resources are not allocated to the Project cost increase, regional or countywide funding could be considered. These funds are programmed for other uses in Metro's financial forecast, during the timeframe when funds are needed for the Project cost increase. A reallocation of the funds to the cost increase would divert the funding from other Board-approved uses and or require additional debt financing. Eligible sources of countywide funding include Proposition C 25% (Transit-Related Streets and Highways), Proposition C 40% (Discretionary), and Proposition A 35% (Rail Development).

Through FY 2023, the Proposition C 25% funds are currently planned, from highest to lowest, for debt service on Metro bonds, I-5 South Carpool and Mixed Flow Lanes I-605 to OCL, Freeway Service Patrol, Blue Line Track and System Refurbishment, and the Crenshaw/LAX Locally Funded Activities Project. The Proposition C 40% is planned for Metro bus operations, ADA-paratransit operations, debt service, Metro bus fleet replacement, and the municipal and non-Metro operators. The Proposition A 35% is planned for debt service on Metro bonds, Metro rail operations, Division 20, Heavy Rail Vehicles, and Light Rail Vehicles. The Project is currently allocated (prior to the proposed LOP increase) \$379.1 million in regional Proposition C 25% and \$4.9 million in regional Proposition A 35% funding.

State and Federal Funding (Formula)

Metro receives quasi-formula funding from the State through the Regional Improvement Program (RIP) and Local Partnership Program (LPP). This is considered regional funding as it can be applied countywide to both transit and highway spending. There is currently no capacity in the RIP or LPP through FY 2025. The RIP has been allocated to projects submitted in Metro's 2020 RTIP and the next cycle of the LPP is planned to be used on the \$801 million Division 20 project.

Due to the delay in revenue operation, approximately \$16.1 million from the State Low Carbon Transit Operations Program (LCTOP) and \$31.1 million from the federal Congestion Mitigation & Air Quality Program (CMAQ), which were allocated to operating costs of the Project in FY 2021, will no longer be needed for this purpose if the revenue service date is delayed. The LCTOP funds have already been earmarked for bus charging infrastructure, as these funds needed to be allocated to satisfy State requirements. The CMAQ funds in FY 2021 could be used for the cost increase and this would not take away funding from another Metro purpose (procedurally, in order to satisfy grant eligibility requirements, the CMAQ may reimburse previously incurred expenditures). The use of CMAQ is subject to the eligibility requirements related to the existing TIGER grant.

Recommendation

The following table summarizes the potential funding options for the Project cost increase. Based on discussions with each of the impacted subregions, Metro staff recommends the use of \$46.7 million from the subregional equity program, to be allocated among the subregions using a proportion to be agreed upon by the subregions, \$33.1 million of CMAQ funds that were initially earmarked for FY 2021 operating costs of the Project, and \$10.2 million from regional funds. Metro staff will work with the subregions to determine the proportional shares for each subregion, and seek formal approval from the governing body of each subregion for use of the subregional equity program.

Crenshaw/LAX
Potential Funding Sources/Cost Reductions
(\$ in millions)

Options	Potential Funding	Year Available
Multi-Year Subregional Programs	not eligible	
Subregional Equity Program-South Bay*	\$ 90.0	2021
Subregional Equity Program-Central City Area	160.0	2021
Measure R Highway Program**	500.0	2021
Local Return	-	2021
Value Capture Financings	-	2025
Scope Reductions/Value Engineering	-	
CMAQ	33.1	
Other Regional Funds***	10.2	
Total	\$ 793.3	

* Represents “discounted” value of amount that is currently programmed beginning in FY 2043.

** Requires amendment to Measure R ordinance.

***Source of funds to be determined.

ATTACHMENT C

Crenshaw/LAX Transit Project Projected Breakdown of Cost Allocation for \$90 million

Amount	Descriptions
\$4,000,000	ARCADIS INC - based on lessons learned project management has procured a claims support consultant to assist with preparing documentation and analysis in support of Metro's defense against claims submitted by the contractor.
\$5,000,000	City of Los Angeles/City of Inglewood-Leading to the completion of the project there still remains 3rd party coordination which will include administration support and street location support. Based on annual work plans.
\$60,000,000	Professional Services - Includes specific consultants and in-house Metro staff: <ul style="list-style-type: none"> o KKCS/TRIUNITY - Includes project management support services including estimating and project control support. o STANTEC - construction management support services procured to support Metro staff in oversight of specific areas of project construction disciplines such as field inspectors, resident engineers and other construction support. o Mott MacDonald - engineering management support services providing design review support and assessment of engineering issues during construction. There is complicated systems installation and testing during the last 5% of the project and this consultant provides oversight. o Metro staff at Gateway and at multiple field offices who perform oversight in various disciplines. o Legal Services - includes County Counsel and procured legal services to assist project management. o Contract Compliance - consultants that monitor the construction contractor compliance with project labor agreement and DBE requirements. o Community Outreach - consultants that provide assistance to support Metro initiatives along the Crenshaw Project alignment. o Miscellaneous support - there are several consultants companies who provide remaining environmental monitoring, systems testing guidance and miscellaneous support to project management.
\$3,900,000	Non-federal Real Estate Loss of Goodwill - goodwill in property acquisitions is not an allowable federal expense, but required under state law. Therefore, the project must use separate local funding for this component.
\$2,200,000	Non-federal funding must be applied for Metro costs to re-configure the Rail Operations Control (ROC) Center to accommodate the new Crenshaw communications system.
\$700,000	Non-federal Community Outreach - community events and programs that are not eligible for federal funding (Taste of Soul, Eat-Shop-Play). These programs have been very successful and should continue until the project is complete
\$14,200,000	Unallocated Contingency - not assigned to any particular line item but is required for anticipated but unknown cost increases.
\$90,000,000	Total Increase



SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

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April 28, 2020

Phillip A. Washington
Chief Executive Officer
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012

Dear Mr. Washington:

The South Bay Cities Council of Governments (SBCCOG) Board of Directors reviewed your April 23, 2020 letter seeking use of Measure M South Bay Sub-Regional Equity Funds (local SEP funds) to partially pay for the \$90 million cost overrun on the Crenshaw/LAX line. As you are aware the SBCCOG has previously committed its entire \$130 million in our local SEP funds as a component of a Metro full-funding plan for delivery of the Centinela Grade Separation project on the Crenshaw/LAX line.

SBCCOG supports use of an appropriate proportionate share of the South Bay SEP funds for the Crenshaw/LAX line cost overrun with the following conditions:

1. Based on 37% of the Crenshaw Line being in the South Bay, the SBCCOG's proportionate share of the cost overrun will not exceed \$33.3 million ($\$90 \text{ million} \times .37$);
2. Since the balance of the Crenshaw/LAX line is in the City of Los Angeles, the South Bay SEP funding is contingent on Metro securing the \$56.7 million balance of the \$90 million overrun from the Central Area Subregion and Westside Subregion SEP funds or from City of Los Angeles local funding sources;
3. This contribution share constitutes a one-time contribution on the condition that no further requests for additional South Bay sub-regional funding for the Crenshaw/LAX line will be sought by Metro; and,
4. Consistent with your commitment to Metro Chair and Inglewood Mayor James Butts, the SEP contribution to the Crenshaw/LAX cost overrun is contingent on Metro staff recommending a full-funding strategy and implementation timeline for the regional Centinela Grade Separation project by June 2020 that includes a maximum of \$96.7 million in South Bay SEP funds (the remaining balance of the South Bay SEP funding).

LOCAL GOVERNMENTS IN ACTION

Carson El Segundo Gardena Hawthorne Hermosa Beach Inglewood Lawndale Lomita
Manhattan Beach Palos Verdes Estates Rancho Palos Verdes Redondo Beach Rolling Hills
Rolling Hills Estates Torrance Los Angeles District #15 Los Angeles County

The SBCCOG Board of Directors believes these contingencies are reasonable and appropriate to ensure that construction of the Crenshaw/LAX line is not delayed further and that the Centinela Grade Separation project will be delivered in a timely fashion.

With gratitude,

A handwritten signature in black ink, appearing to read 'Christian Horvath', with a long horizontal flourish extending to the right.

Christian Horvath, SBCCOG Chair
Redondo Beach City Councilman