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**Agenda - Final**

**Thursday, March 18, 2021**

**11:00 AM**

To give written or live public comment, please see the top of page 4

## **Construction Committee**

*Janice Hahn, Chair*

*Tim Sandoval, Vice Chair*

*Kathryn Barger*

*Jacquelyn Dupont-Walker*

*Fernando Dutra*

*Tony Tavares, non-voting member*

*Phillip A. Washington, Chief Executive Officer*

**METROPOLITAN TRANSPORTATION AUTHORITY BOARD RULES**  
(ALSO APPLIES TO BOARD COMMITTEES)

**PUBLIC INPUT**

A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for one (1) minute per item, or at the discretion of the Chair. A request to address the Board must be submitted electronically using the tablets available in the Board Room lobby. Individuals requesting to speak will be allowed to speak for a total of three (3) minutes per meeting on agenda items in one minute increments per item. For individuals requiring translation service, time allowed will be doubled. The Board shall reserve the right to limit redundant or repetitive comment.

The public may also address the Board on non agenda items within the subject matter jurisdiction of the Board during the public comment period, which will be held at the beginning and/or end of each meeting. Each person will be allowed to speak for one (1) minute during this Public Comment period or at the discretion of the Chair. Speakers will be called according to the order in which their requests are submitted. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

Notwithstanding the foregoing, and in accordance with the Brown Act, this agenda does not provide an opportunity for members of the public to address the Board on any Consent Calendar agenda item that has already been considered by a Committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the Committee on the item, before or during the Committee's consideration of the item, and which has not been substantially changed since the Committee heard the item.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

**CONDUCT IN THE BOARD ROOM** - The following rules pertain to conduct at Metropolitan Transportation Authority meetings:

**REMOVAL FROM THE BOARD ROOM** The Chair shall order removed from the Board Room any person who commits the following acts with respect to any meeting of the MTA Board:

- a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
- b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
- c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
- d. Any other unlawful interference with the due and orderly course of said meeting.

**INFORMATION RELATING TO AGENDAS AND ACTIONS OF THE BOARD**

Agendas for the Regular MTA Board meetings are prepared by the Board Secretary and are available prior to the meeting in the MTA Records Management Department and on the Internet. Every meeting of the MTA Board of Directors is recorded and is available at [www.metro.net](http://www.metro.net) or on CD's and as MP3's for a nominal charge.

## DISCLOSURE OF CONTRIBUTIONS

The State Political Reform Act (Government Code Section 84308) requires that a party to a proceeding before an agency involving a license, permit, or other entitlement for use, including all contracts (other than competitively bid, labor, or personal employment contracts), shall disclose on the record of the proceeding any contributions in an amount of more than \$250 made within the preceding 12 months by the party, or his or her agent, to any officer of the agency, additionally PUC Code Sec. 130051.20 requires that no member accept a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. Persons required to make this disclosure shall do so by filling out a "Disclosure of Contribution" form which is available at the LACMTA Board and Committee Meetings. Failure to comply with this requirement may result in the assessment of civil or criminal penalties.

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## LIMITED ENGLISH PROFICIENCY

A Spanish language interpreter is available at all Committee and Board Meetings. All other languages must be requested 72 hours in advance of the meeting by calling (213) 922-4600 or (323) 466-3876. Live Public Comment Instructions can also be translated if requested 72 hours in advance.



**323.466.3876**

x2 *Español (Spanish)*

x3 *中文 (Chinese)*

x4 *한국어 (Korean)*

x5 *Tiếng Việt (Vietnamese)*

x6 *日本語 (Japanese)*

x7 *русский (Russian)*

x8 *Հայերէն (Armenian)*

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TDD line (800) 252-9040

**NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA**

**Live Public Comment Instructions:**

Live public comment can only be given by telephone.

The Committee Meeting begins at 11:00 AM Pacific Time on March 18, 2021; you may join the call 5 minutes prior to the start of the meeting.

Dial-in: 888-251-2949 and enter  
English Access Code: 8231160#  
Spanish Access Code: 4544724#

***To give public comment on an item, enter #2 (pound two) when that item is taken up by the Board. Please note that the live video feed lags about 30 seconds behind the actual meeting. There is no lag on the public comment dial-in line.***

**Instrucciones para comentarios publicos en vivo:**

Los comentarios publicos en vivo solo se pueden dar por telefono.

La Reunion de la Junta comienza a las 11:00 AM, hora del Pacifico, el 18 de Marzo de 2021. Puedes unirse a la llamada 5 minutos antes del comienzo de la junta.

Marque: 888-251-2949 y ingrese el codigo  
Codigo de acceso en ingles: 8231160#  
Codigo de acceso en espanol: 4544724#

***Para dar un comentario publico sobre un tema, ingrese #2 (Tecla de numero y dos) cuando ese tema mencionado por la Junta. Por favor tenga en cuenta que la transmision de video en vivo tiene un retraso de aproximadamente 30 segundos con respecto a la reunión real. No hay retraso en la línea de comentarios publicos.***

**Written Public Comment Instruction:**

Written public comments must be received by 5PM the day before the meeting.

Please include the Item # in your comment.

Email: goinsec@metro.net

Post Office Mail:

Board Secretary's Office

One Gateway Plaza

MS: 99-3-1

Los Angeles, CA 90012

**CALL TO ORDER****ROLL CALL**

30. **SUBJECT: PROGRAM MANAGEMENT MAJOR PROJECT STATUS REPORT** [2021-0056](#)

**RECOMMENDATION**

RECEIVE oral report on the Major Project Status by the Chief Program Management Officer.

**Attachments:** [Presentation](#)

31. **SUBJECT: I-5 NORTH COUNTY ENHANCEMENTS PROJECT** [2021-0051](#)

**RECOMMENDATION**

A. ESTABLISH a life-of-project budget for the I-5 North County Enhancements Project in the amount of \$679,400,000.

- B. AUTHORIZE the Chief Executive Officer to negotiate and execute project related agreements, including contract modifications, up to the authorized Life-of-Project Budget.

**Attachments:** [Attachment A.FundingandExpenditurePlan](#)

32. **SUBJECT: METRO G LINE BUS RAPID TRANSIT IMPROVEMENTS PROJECT** [2020-0884](#)

**RECOMMENDATION**

CONSIDER:

- A. FINDING that authorization of the use of alternative delivery methods, including Progressive Design/Build (PDB), will achieve integration of design, project works, and other components in an efficient manner for the Metro G Line Bus Rapid Transit Improvements Project, pursuant to Public Utilities Code Section 130242; and
- B. APPROVING a competitive solicitation of a PDB contract to achieve the proposed design approach, specific project features and functions, and other project criteria in addition to price, pursuant to Public Utilities Code 130242 (e)

(REQUIRES 2/3 VOTE OF THE BOARD OF DIRECTORS)

**44. SUBJECT: EASTSIDE ACCESS IMPROVEMENTS PROJECT**[2020-0931](#)**RECOMMENDATION**

- A. ESTABLISH a life-of-project budget for the Eastside Access Improvements Project (Project) in the amount of \$29,703,098 consistent with the provisions of the Board-adopted Measure R and Measure M Unified Cost Management Policy (Attachment B).
- B. AUTHORIZE the Chief Executive Officer to negotiate and execute project related agreements, including contract modifications, up to the authorized Life-of-Project budget.

**Attachments:**      [Attachment A - Funding and Expenditures Table](#)  
[Attachment B - Measure R and Measure M Unified Cost Management Policy](#)

**SUBJECT: GENERAL PUBLIC COMMENT**[2021-0089](#)

RECEIVE General Public Comment

Consideration of items not on the posted agenda, including: items to be presented and (if requested) referred to staff; items to be placed on the agenda for action at a future meeting of the Committee or Board; and/or items requiring immediate action because of an emergency situation or where the need to take immediate action came to the attention of the Committee subsequent to the posting of the agenda.

**COMMENTS FROM THE PUBLIC ON ITEMS OF PUBLIC INTEREST WITHIN COMMITTEE'S SUBJECT MATTER JURISDICTION****Adjournment**



**Board Report**

**File #:** 2021-0056, **File Type:** Oral Report / Presentation

**Agenda Number:** 30.

**CONSTRUCTION COMMITTEE  
MARCH 18, 2021**

**SUBJECT: PROGRAM MANAGEMENT MAJOR PROJECT STATUS REPORT**

**ACTION: ORAL REPORT**

**RECOMMENDATION**

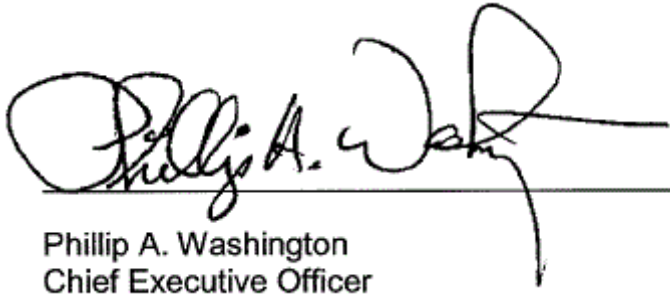
RECEIVE oral report on the Major Project Status by the Chief Program Management Officer.

**DISCUSSION**

Update report covering the month of March 2021 by the Chief Program Management Officer.

Prepared by:

- **Crenshaw/LAX** - Sameh Ghaly, Sr EO Project Mgmt., (213) 418-3369
- **Regional Connector** - Gary Baker, EO Project Mgmt., (213) 893-7191
- **Westside Purple Line Ext 1** - James Cohen, EO Project Mgmt., (213) 922-7911
- **Westside Purple Line Ext 2** - Michael McKenna, EO Project Mgmt., (213) 312-3132
- **Westside Purple Line Ext 3** - Kimberly Ong, EO Project Mgmt., (323) 903-4112
- **Patsaouras Plaza Busway Station** - Timothy Lindholm, Sr. EO Project Engr., (213) 922-7297
- **Willowbrook/Rosa Park Station** - Timothy Lindholm, Sr. EO Project Engr., (213) 922-7297
- **I-210 Barrier Replacement** - Androush Danielians, EO Project Engr., (213) 922-7598
- **I-5 North County Enhancements** - Timothy Lindholm, Sr. EO Project Engr., (213) 922-7297
- **I-5 North** - Abdollah Ansari, Sr EO Construction & Engr., (213) 922-4781
- **I-5 South** - Abdollah Ansari, Sr EO Construction & Engr., (213) 922-4781
- **Presentation** - Yohana Jonathan, Mgr, Project Control, (213) 418-3031



Phillip A. Washington  
Chief Executive Officer



# **Program Management Major Project Status Report**

Presented By

**Richard Clarke**

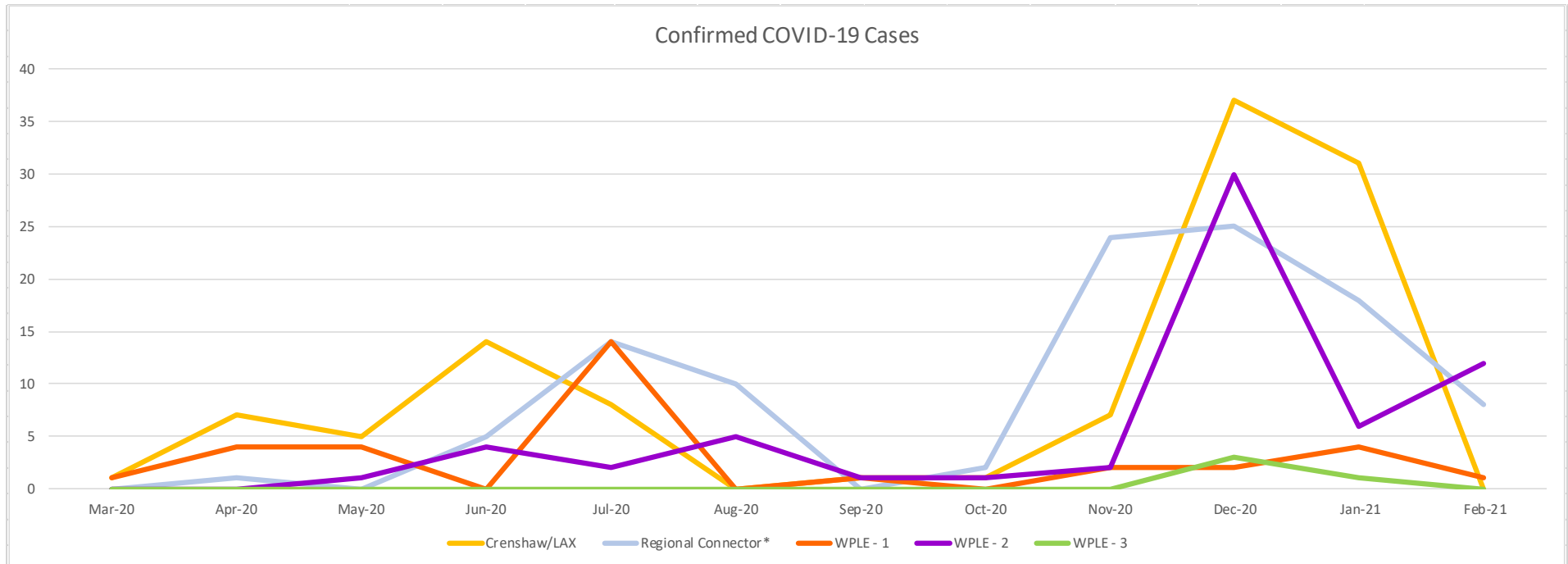
Chief Program Management Officer

# Impact of COVID-19 Cases on Mega Construction Projects (as of 2/28/2021)

Metro Mega Construction Projects COVID-19 Confirmed Cases





















Project	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Total Cases to Date
Crenshaw/LAX	1	7	5	14	8	0	1	1	7	37	31	0	112
Regional Connector*	0	1	0	5	14	10	0	2	24	25	18	8	107
WPLE - 1	1	4	4	0	14	0	1	0	2	2	4	1	33
WPLE - 2	0	0	1	4	2	5	1	1	2	30	6	12	64
WPLE - 3	0	0	0	0	0	0	0	0	0	3	1	0	4

Confirmed COVID-19 Cases



\*Regional Connector's January 2021 total was adjusted due to a late notification of 1 additional COVID case.

# PROJECT BUDGET & SCHEDULE STATUS SUMMARY CHART

Project	Cost Performance	Schedule Performance	Comments
Crenshaw/LAX			Project is 98% complete. Contractor is not applying sufficient work force to complete their remaining work. Metro continues to work with contractor to mitigate the schedule forecast; emphasizing safety and reliability in final acceptance of project elements and systems.
Regional Connector			Project is 78% complete. Schedule agreement mitigated Load Transfer System (LTS) delays and incentivized Contractor to finish balance of project early. Work shifting from civil structural to systems and finishes.
Westside Purple Line Extension-Section 1			Project is 68% complete. Reviewing the impacts differing site conditions and third-party requirements had on the project schedule. The Reach 3 anomaly is significantly impacting critical path tunnel mining activities as well as the project's budget.
Westside Purple Line Extension-Section 2			Project is 42% complete and proceeding on schedule and within budget.
Westside Purple Line Extension-Section 3			Project is 18% complete and proceeding on schedule and within budget.
Willowbrook/Rosa Parks Station			Package A Final Punch List Scheduled to begin Package Closeout. Package B is in full progress with underground utility work and vertical circulation work. Elevator #4 at the C Line West entrance, a major phase for the project, is expected to be completed by 1 <sup>st</sup> quarter 2021.
I-210 Barrier Replacement			Project 1 Plans, Specs and Estimate (PS&E) package is finalized. However, the construction permit for Project 1 will be granted once the Aerially Deposited Lead (ADL) testing has been completed and submitted to Caltrans. Funding source(s) for ADL testing and Project 1 construction are still to be determined. Project 2 Barrier analysis began in February. Development of Project Study Report (PSR) for Project 2 is underway.
1-5 North County Enhancements			Project is in procurement and is expected to begin construction in Summer 2021.
I-5 North: SR 118 to SR 134			Segment 1 and 2 are completed. Segment 3 (Empire Ave & Burbank) is 88% complete. Segment 4 (Magnolia to SR-134) is 98% complete and began the plant establishment phase on June 1, 2020.
I-5 South: Orange County Line to I-605			Segments 1, 3, and the Carmenita Interchange are completed. Segment 2 (Valley View) is 74% complete. Segment 4 (Imperial) is 97% complete and began the plant establishment phase on Jan 31, 2020. Segment 5 (Florence) is 92% complete.

March 2021



On target



Possible problem



Significant Impact

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 3

# CRENSHAW/LAX TRANSIT PROJECT

## ◆ BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$2,148M	\$2,148M

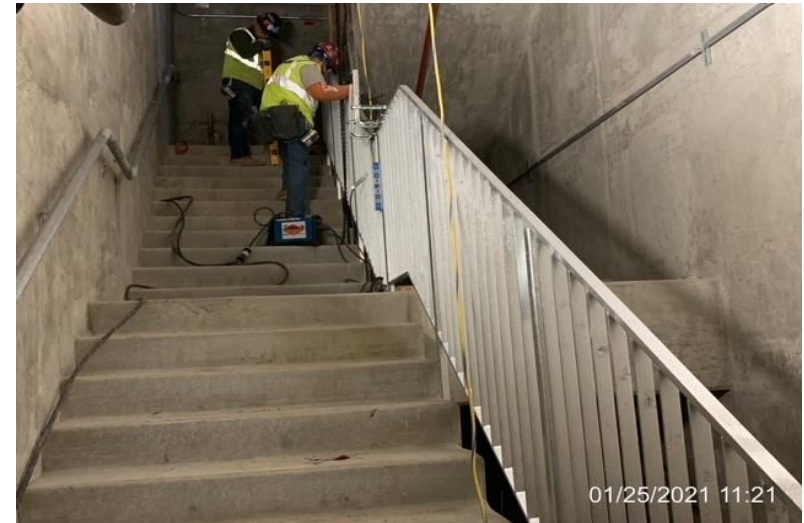
## ▲ SCHEDULE

	<u>Current</u>	<u>Forecast</u>
REVENUE OPERATION	May 2021	Winter 2021

- Overall Project Progress is 98% complete.
- Contractor is not applying sufficient work force to complete their remaining work.
- Metro continues to work with contractor to mitigate the schedule forecast; emphasizing safety and reliability in final acceptance of project elements and systems.
- Remaining work is primarily systems—power, train control, station/tunnel fire life safety & communications.



LEIMERT PARK STATION – Main entrance canopy art installation



MLK Station – Installing guard rail at emergency exit stairs

March 2021

OK On target

◆ Possible problem

▲ Significant Impact

# REGIONAL CONNECTOR TRANSIT PROJECT

## BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$1,829M	\$1,829M

## SCHEDULE

	<u>Current</u> Summer/Fall 2022	<u>Forecast</u> Summer/Fall 2022
REVENUE OPERATION		

- Overall Project Progress is 78% (March Projection) complete.
- Little Tokyo/Arts District Station & Surrounding Area:** Final 1st Street guideway pours underway; utilities continue.
- Historic Broadway Station:** Construction work on the overbuild load transfer system work is continuing; site restoration underway.
- Grand Av Arts/Bunker Hill Station:** Final underground concrete pours complete; Escalator installations and finishes underway; Pedestrian Bridge pours in-progress.
- Flower Street:** Final walkways and Mechanical, Electrical, & Plumbing (MEP) continuing; Final utility work underway; Cutover plans with 7th/Metro Station require close coordination with Operations to establish priorities.
- Trackwork:** Crossover installation east of Broadway Station underway.
- Systems:** Overhead Conductor Rail (OCR) installations continue; Field preparations for signals underway; Expediting of electrical equipment due to COVID supply chain delays underway.



Special trackwork installation in Crossover Cavern



Power distribution equipment at Grand Av Arts/Bunker Hill Station

March 2021



On target



Possible problem



Significant Impact

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 5

# WESTSIDE PURPLE LINE EXTENSION – SECTION 1

## BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST*	\$3,354M	\$3,354M

\* Includes Board approved LOP budget plus finance costs.

## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
REVENUE	Fall	Fall
OPERATIONS	2024 (FFGA)	2024

Overall Project Progress is 68% complete.

- Wilshire/La Brea Station:** Permanent utility installation/backfill (above the roof) activities, plenum work and appendage construction continue.
- Wilshire/Fairfax Station:** Concourse and 2<sup>nd</sup> lift wall concrete activities continue. Entrance plaza and appendage work move forward. The build out of the roof forming system in the high bay area has commenced.
- Wilshire/La Cienega Station:** The last roof placement prior to the anticipated TBM arrival has been placed. Work on the entrance structure continues. Preparation for Tunnel Boring Machine (TBM) arrival is on-going.
- Tunneling:** The Wilshire/San Vicente grout block for the north and south tunnels have been completed. The Purple TBM (Elsie) has restarted and has reached the anomaly area. Anomaly intervention is underway. The Red TBM (Soyeon) remains parked 190' from the anomaly site.
- Reach 1 Tunnel:** 11 out of 12 cross passages have been excavated. Concrete placement for 8 cross passages are complete. Completion of all Reach 1 cross passages is planned for April 2021. Tunnel invert activities in the north tunnel have commenced.
- Budget/Schedule:** The Reach 3 anomaly and gas issues along the alignment have impacted the Project schedule and budget. The impact is expected to be significant. The current Revenue Service Date forecast is the 4<sup>th</sup> quarter of 2024. Budget impacts are currently being assessed. Metro and the FTA will conduct a formal risk assessment after mining through the anomaly in mid-2021. The Board will be briefed on the outcome.



Track Level View of Wilshire/La Cienega Station



Installing Roof Rebar at Wilshire/Fairfax

March 2021



On target



Possible problem



Significant Impact

Construction Committee

Los Angeles County Metropolitan Transportation Authority

# WESTSIDE PURPLE LINE EXTENSION – SECTION 2



## BUDGET

	<u>Current</u>	<u>Forecast</u>
<b>TOTAL COST*</b>	<b>\$2,530M</b>	<b>\$2,530M</b>

\* Includes Board approved LOP budget plus finance costs.



## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
<b>REVENUE OPERATION</b>	<b>Winter 2026 (FFGA)</b>	<b>Summer 2025</b>

- Overall Project progress is 42% complete.
- **Century City Constellation Station**
  - Completed pile installation at the intersection of Constellation Boulevard and Avenue of the Stars.
  - Installation of utility supports continues west of the TBM launch box.
  - Decking operations are anticipated to be completed in April 2021.
- **Wilshire/Rodeo Station**
  - Excavation of the station box was 93% complete as of February 17, 2021
  - Installation of waterproofing membrane on the station walls is anticipated to begin in April 2021.
- **Tunneling**
  - Both Tunnel Boring Machine (TBM)s “Ruth” and “Harriet” are operating within the City of Beverly Hills. Progress as of February 17, 2021 is as follows:
    - Ruth (eastbound subway tunnel) - 545ft
    - Harriet (westbound subway tunnel) - 983ft
  - Tunneling operations are transitioning from the TBM launch box area to the access shaft.



Pile Installation on Constellation & Avenue of the Stars



Excavation - Wilshire/Rodeo Station



On target



Possible problem



Significant Impact



# WESTSIDE PURPLE LINE EXTENSION – SECTION 3

OK BUDGET		
	<u>Current</u>	<u>Forecast</u>
TOTAL COST*	\$3,611M	\$3,611M
* Includes Board approved LOP budget plus finance costs.		

OK SCHEDULE		
	<u>Current</u>	<u>Forecast</u>
REVENUE OPERATION	Winter 2028 (FFGA)	Spring 2027

- Overall Project progress is 18% complete
- Final design progress is 78% complete
- **C1151 Tunnel Contract**
  - TBM #1 (BR) has mined 331 feet resumed mining after refitting gantries 2, 3, & 4.
  - TBM #2 (BL) assembly continues at the BL headwall.
  - Fabrication of tunnel precast concrete liners are ongoing.
  - Installation of instrumentation and monitoring equipment are ongoing.
  - Aerially Deposited Lead removal is complete, and work is proceeding at Caltrans basin.
- **C1152 Stations, Trackwork, and Systems Contract**
  - Final design is ongoing.
  - VA Campus sound wall has been completed.
  - VA Campus utility relocation work began in January 2021. Relocations include natural gas, storm drain, sewer, water, electric, and steam lines.
  - VA Campus SOE installation is scheduled to start in February 2021.
  - UCLA Station utility sewer (Ashton & Westwood) relocation to start in February 2021.
- **Other Work**
  - Joint trench for Verizon and Frontier telecommunications is substantially complete; punch list expected to be complete in February 2021.
  - LADWP power cutover to 10921 Wilshire Boulevard is planned for spring of 2021.



TBM Assembly Overview at Tail Track Exit Shaft



Sound Wall Barrier at Westwood/VA Station Site (VA Lot 42)

March 2021



On target



Possible problem



Significant Impact

Construction Committee

Los Angeles County Metropolitan Transportation Authority



Metro 8



# WILLOWBROOK/ROSA PARKS STATION

## BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$128.4M	\$128.4M

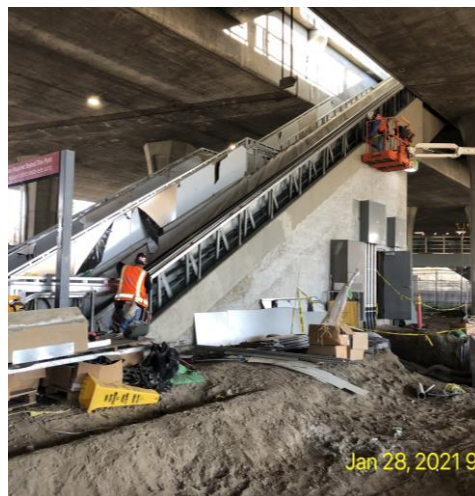
## SCHEDULE

	<u>Current</u>	<u>Forecast</u>
SUBSTANTIAL COMPLETION	March 2021	May 2021

- Package A and C: Landscape Punch completed with warranty period started. Final punch items in progress.
- Package B: Package B underground utility work ongoing at both C Line west and Central entrances. Installation of new County required storm drain in progress. Elevator 4 work at the C Line West Entrance is ongoing with temporary sidewalk and state inspection approval expected by end of February. Once certified, the project will be cleared to close up the entire central plaza for main Package B work.



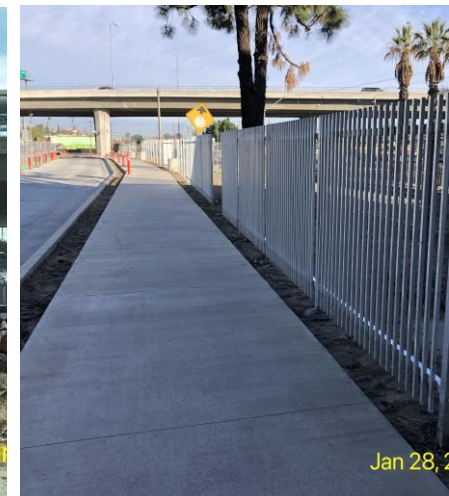
New Curb Kiss & Ride Lot @ Central Plaza



Stair/Escalator Work @ Central Plaza



Soil remediation completed @ Bus Lane



Phase 1 Finish Work completed

March 2021



On target



Possible problem



Significant Impact



Metro 9

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Los Angeles County Metropolitan Transportation Authority

# I-210 BARRIER REPLACEMENT PROJECT

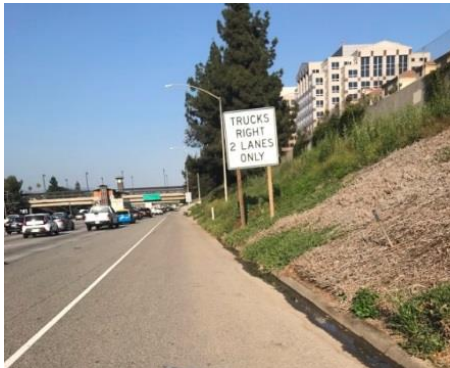
## OK BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$22.54M	\$22.54M
	Design	Design

## OK SCHEDULE

	<u>Current</u>	<u>Forecast</u>
Complete Design (Proj 1)	Feb 2021	Winter 2021
Complete Design (Proj 2)	Aug 2022	Summer 2022

- Project 1: Segment from Michillinda to Iconic Bridge – Project 1 Plans, Specs and Estimate (PS&E) package is finalized. However, the construction permit for Project 1 will be granted once the Aerially Deposited Lead (ADL) testing has been completed. Funding source(s) for ADL testing and construction for Project 1 are still to be determined.
- Project 2: Segment from west end of the project to Michillinda – Barrier analysis began in February. Development of Project Study Report (PSR) for Project 2 is underway.



Newly Installed Caltrans Freeway Sign



Incident in 2014



Newly Installed Speed Limit Sign

March 2021

OK On target

◆ Possible problem

▲ Significant Impact

Construction Committee

Los Angeles County Metropolitan Transportation Authority



# I-5 Construction Projects (Administered by Metro)



March 2021

Construction Committee

Los Angeles County Metropolitan Transportation Authority

# I-5 NORTH COUNTY ENHANCEMENTS

## OK BUDGET

	<u>Current</u>	<u>Forecast</u>
TOTAL COST	\$679.3M	\$679.3M

## OK SCHEDULE

	<u>Current</u>	<u>Forecast</u>
SUBSTANTIAL COMPLETION	Spring 2026	Spring 2026

- Project is in procurement phase, bids due February 24<sup>th</sup>.
- Construction is expected to begin in Spring 2021.
- Advanced utility relocations complete, collecting as-built plans.



March 2021



On target



Possible problem



Significant Impact



Metro 12

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# I-5 Construction Projects (By Caltrans)

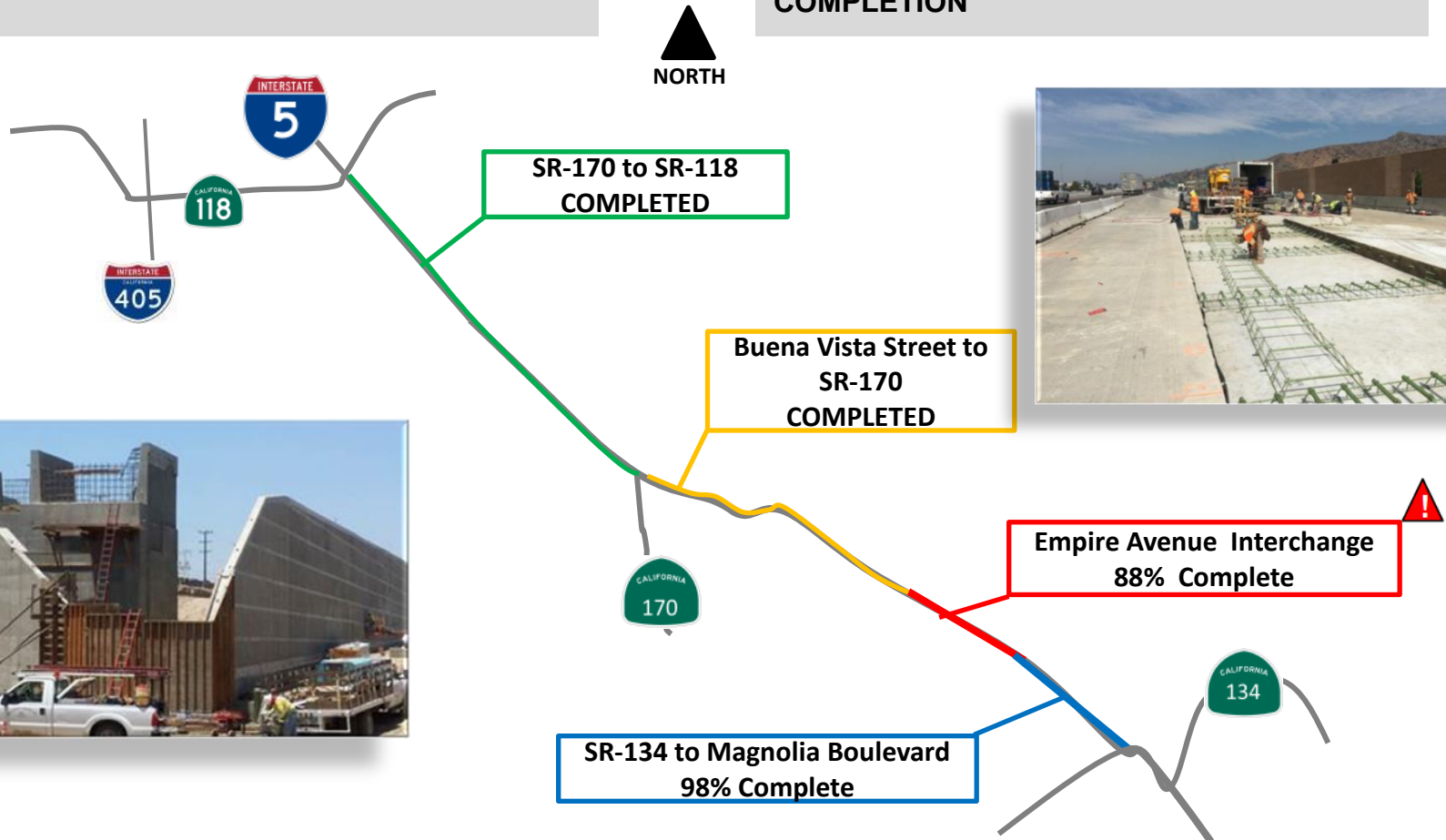


# I-5 NORTH: SR 118 TO SR 134



⚠ BUDGET	Current	Forecast
TOTAL COST	\$880.9M	\$954.1M*

⚠ SCHEDULE	Current	Forecast*
ANTICIPATED PROJECT COMPLETION	Summer 2022	Winter 2022



March 2021

● On target    
 ◆ Possible problem    
 ⚠ Significant Impact



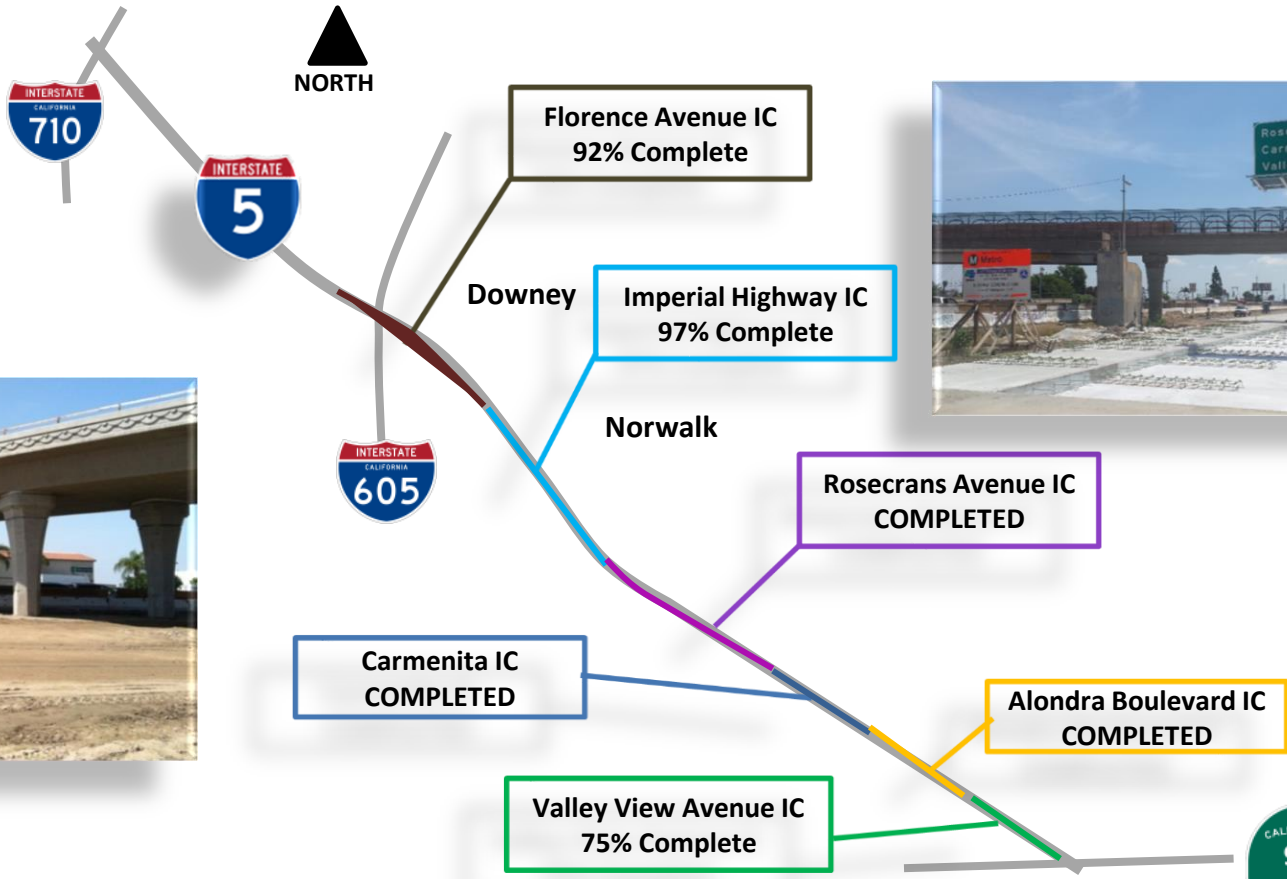
\* Risk Analysis, Nov 2020 and Caltrans' request

# I-5 SOUTH: ORANGE COUNTY LINE TO I-605



OK BUDGET		
	Current	Forecast
TOTAL COST	\$1.888B	\$1.888B*

◇ SCHEDULE		
	Current	Forecast*
ANTICIPATED PROJECT COMPLETION	Winter 2022	Spring 2023



Metro 15

March 2021



On target



Possible problem



Significant Impact

Construction Committee

Los Angeles County Metropolitan Transportation Authority

\* Risk Analysis, Nov 2020



## Board Report

File #: 2021-0051, File Type: Project

Agenda Number: 31.

### CONSTRUCTION COMMITTEE MARCH 18, 2021

**SUBJECT: I-5 NORTH COUNTY ENHANCEMENTS PROJECT**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

- A. ESTABLISH a life-of-project budget for the I-5 North County Enhancements Project in the amount of \$679,400,000.
- B. AUTHORIZE the Chief Executive Officer to negotiate and execute project related agreements, including contract modifications, up to the authorized Life-of-Project Budget.

#### **ISSUE**

An LOP budget for the Project is required to execute contracts and pursue completion of the Project. Establishing the LOP budget at the time of contract award is consistent with the recommendations in the Office of the Inspector General (OIG) Construction Management Best Practices Study Report and lessons learned regarding establishing final budgets, when adequate information (such as the receipt and validation of responsiveness of hard bids) is available.

#### **BACKGROUND**

The 13.9-mile Project will improve the operations and safety of the corridor, facilitate the movement of freight and people, and accommodate expected growth in the area on I-5 from SR-14 to Parker Road. The proposed improvements include the addition of one High Occupancy Vehicle (HOV) lane in each direction, extension of trucking/freight lanes from Calgrove Blvd. to South of Weldon Canyon in the southbound direction (2.23 miles) and from the Gavin Canyon undercrossing to Calgrove Blvd. in the northbound direction (0.98 miles); auxiliary lanes at various locations along the corridor (2.5 miles); widening of 7 bridges including the Gavin Canyon Undercrossing, Calgrove Boulevard Undercrossing, Butte Canyon Bridge, Magic Mountain Parkway Undercrossing, Santa Clara Overhead, Rye Canyon Undercrossing, and Castaic Creek Bridge; and the replacement of the Weldon Canyon bridge to accommodate the proposed freeway improvements.

The Project is being delivered through a contractual partnership between Caltrans and Metro in the form of cooperative agreements for design and construction. Metro, defined as a Local Agency within



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these agreements, is responsible for advertising, awarding, and administering the contract. The Project is funded through a combination of federal and state grant funding and Metro local funding, as shown in Attachment A Funding and Expenditure Plan. Metro will be responsible for managing the Project budget and identifying any future funding, if required.

Partnering sessions with Caltrans have been ongoing to ensure a high level of collaboration and issue resolution during the Project planning, design, and procurement phase. Metro staff from Vendor/Contract Management and Program Management, supported by County Counsel, performed an extensive contract review and revision process to ensure that the highway contract reflected the technical and commercial requirements of both parties. In parallel to this contract review/revision process, a detailed low-bid style cost estimate and constructability analysis was performed. Lastly, Metro conducted an industry review of the highway contract. Caltrans-assigned oversight personnel have provided support to Metro throughout these processes.

## **DISCUSSION**

To date, the Project has been funded on a fiscal year basis. The proposed LOP budget for this project is based on total project costs incurred including Metro labor and non-labor costs for PA&ED, PS&E, Utilities, ROW support, the forecasted construction cost and support, and required contingencies. The proposed LOP budget has been approved by FHWA and Caltrans respectively and utilizes lessons learned on past local agency delivered highway projects and the Project specific risk profile developed and approved through the FHWA risk assessment process. In October 2020, the Metro Board of Directors authorized a construction support services contract for construction management and Project oversight support. Key personnel from this contract have been onboarded to assist Metro staff in the procurement and pre-construction activities required for the Project. The Project Invitation for Bid was released on November 6<sup>th</sup>, 2020 and 3 bids were received on February 24, 2021. The bids are currently being validated for responsiveness.

OHL (Apparent Low Bid)	\$389,957,231
Flatiron Security Paving JV	\$406,182,281
Skanska / Rasmussen JV	\$513,600,000
Metro Independent Cost Estimate	\$480,841,729

Design-bid-build projects typically carry a 10 to 12 percent contingency because the design is carried out to 100%. For this Project, staff has allocated an 18 percent contingency due to the following risk factors identified in the risk assessment process:

- Due to the Project location within the mountainous Transverse Range and proximity to major fault lines, geotechnical issues are expected related to soil nail wall installation, Cast-in-Drilled-Hole pile installation, sound wall and retaining wall foundation construction, and unsuitable subgrade under pavement.
- Latent sub-surface features, including buried human-made objects and differing site conditions
- Unanticipated presence of protected special-status species in active construction areas, specifically within creeks, rivers, and Waters of the US resulting in construction delays

The risk assessment process identified approximately \$50M in additional risk contingency that is accounted for within the LOP budget.

In addition to the increased contingency, staff are recommending additional budget for oversight and support. Typical construction oversight costs for projects historically vary between 8 to 13 percent of project budget. However, given lessons learned on past collaborative highway efforts between Metro and Caltrans, staff have allocated roughly 16 percent construction oversight for the Project. This cost is inclusive of a more robust Owner controlled quality oversight program than is typical of Metro projects that is designed to reduce rework, reduce rejected work, minimize schedule delays, and ensure timely and complete Caltrans final acceptance of the Project.

#### Project Schedule & Community Outreach

Notice of Award is anticipated in mid-April with a start of construction in Summer of 2021. The contract duration is 58 months, which is inclusive of 100 adverse weather days anticipated during the Project. Construction completion is slated for Summer 2026. The schedule for construction contract award is developed to coincide with current budgetary considerations and to ensure contractor mobilization and construction expenditures meet the Trade Corridor Enhancements Program (TCEP) funding requirement to issue Notice to Proceed by May 13, 2021.

Staff has begun the Project communication, notification, and outreach program to the local jurisdictions, stakeholders, residents, businesses, and the general public. Metro has developed and continues to build valuable partnerships with local and regional jurisdictions and stakeholders including the County of Los Angeles, City of Santa Clarita, North County Transportation Coalition, Golden State Gateway Coalition, Santa Clarita Economic Development Corporation, and the Santa Clarita Valley Chamber of Commerce.

#### **DETERMINATION OF SAFETY IMPACT**

Approval of these recommendations will have no detrimental safety impact.

## **FINANCIAL IMPACT**

This is a multi-year Project. Upon approval of the Life of Project budget, staff will manage the Project within the Board approved fiscal year budgets. It is the responsibility of the Project Manager and Chief Program Management Officer to budget for this project in future fiscal years.

### **Impact to Budget**

The Project is funded through Federal Surface Transportation STBGP and Fastlane/Infra (\$56,800,000), State SB1 (\$247,000,000) and a Metro local funds match from tax measures Measure R - Highway and Measure M - Highway (\$375,600,000). These funds are not eligible for bus or rail operations.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This recommendation supports strategic goal #1 by providing high-quality mobility options that enable people to spend less time traveling. Metro acknowledges the need for partnerships with local, regional, and state authorities to leverage funding to maintain streets, highways, and shared freight rail corridors in a state of good repair for all users. Metro continues to work with its partners in the region to advance more efficient use of roadway capacity through needed state of good repair projects.

## **ALTERNATIVES CONSIDERED**

The Board may choose not to move forward with the establishment of an LOP budget. This is not recommended as this may jeopardize current and future grant opportunities.

## **NEXT STEPS**

Upon Board approval of the recommendations, staff will move the Project forward into construction.

## **ATTACHMENTS**

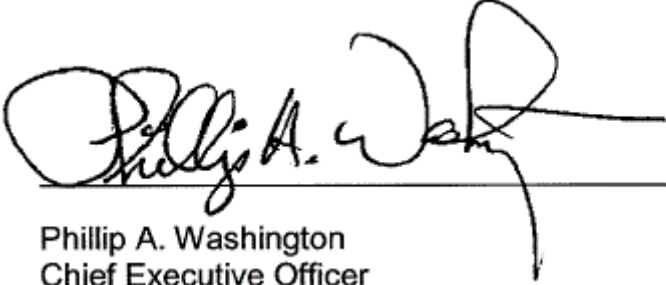
Attachment A - Funding and Expenditure Plan

Prepared by: Brad Owen, Executive Officer, Program Management, (213) 418-3143

Reviewed by:

Richard Clarke, Chief Program Management Officer, (213) 922-7557

Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



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Phillip A. Washington  
Chief Executive Officer

**ATTACHMENT "A"**  
**EXPENDITURE and FUNDING PLAN**

**ISN COUNTY ENHANCEMENTS PROJECT Cash Flow and Sources of Funds**

**Uses of Funds**

<b>Work Package</b>	<b>Thru FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>Total</b>
PA&ED	\$ 8.88	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8.88
PS&E	\$ 42.25	\$ 0.26	\$ 0.20	\$ 0.70	\$ 0.50	\$ 0.46	\$ -	\$ -	\$ 44.37
ROW	\$ 0.39	\$ 0.01	\$ 0.05	\$ 0.05	\$ 0.04	\$ 0.04	\$ -	\$ -	\$ 0.58
Utilities	\$ -	\$ 0.39	\$ 4.00	\$ 3.00	\$ 1.36	\$ 0.48	\$ -	\$ -	\$ 9.23
ROW Support	\$ 0.11	\$ 0.01	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.04	\$ -	\$ -	\$ 0.40
Construction Support	\$ 2.38	\$ 6.53	\$ 20.28	\$ 24.40	\$ 24.10	\$ 21.70	\$ 10.99	\$ -	\$ 110.38
Construction Capital	\$ -	\$ 5.99	\$ 52.01	\$ 147.91	\$ 140.26	\$ 43.78	\$ -	\$ -	\$ 389.95
Unallocated Contingency	\$ -	\$ -	\$ 3.60	\$ 20.30	\$ 18.87	\$ 3.08	\$ 32.61	\$ 23.32	\$ 101.78
Program Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13.80	\$ 13.80
<b>Total Project Estimate</b>	<b>\$ 54.01</b>	<b>\$ 13.19</b>	<b>\$ 80.22</b>	<b>\$ 196.44</b>	<b>\$ 185.21</b>	<b>\$ 69.58</b>	<b>\$ 43.60</b>	<b>\$ 37.12</b>	<b>\$ 679.37</b>

**Sources of Funds**

**Federal Revenue**

Surface Transportation (STBGP)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7.50	\$ 7.50
TCSPPP	\$ 2.31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.31
Fastlane/Infra	\$ -	\$ 3.08	\$ 25.78	\$ 18.14	\$ -	\$ -	\$ -	\$ -	\$ 47.00
<b>Federal Revenue Subtotal</b>	<b>\$ 2.31</b>	<b>\$ 3.08</b>	<b>\$ 25.78</b>	<b>\$ 18.14</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7.50</b>	<b>\$ 56.81</b>

**Local Revenue**

Measure M - Highway	\$ -	\$ -	\$ -	\$ 70.20	\$ 90.67	\$ 33.05	\$ 24.37	\$ 21.72	\$ 240.01
Measure R - Highway	\$ 43.30	\$ 6.09	\$ 18.61	\$ 21.32	\$ 14.95	\$ 7.00	\$ 7.98	\$ 7.90	\$ 127.15
Private Funding	\$ 8.41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8.41
<b>Local Revenue Subtotal</b>	<b>\$ 51.71</b>	<b>\$ 6.09</b>	<b>\$ 18.61</b>	<b>\$ 91.52</b>	<b>\$ 105.62</b>	<b>\$ 40.05</b>	<b>\$ 32.35</b>	<b>\$ 29.62</b>	<b>\$ 375.56</b>

**State Revenue**

SB1 Trade Corridors (Federal)	\$ -	\$ -	\$ -	\$ 5.64	\$ 53.59	\$ 29.53	\$ 11.24	\$ -	\$ 100.00
SB1 Trade Corridors (State)	\$ -	\$ 4.02	\$ 35.83	\$ 81.14	\$ 26.01	\$ -	\$ -	\$ -	\$ 147.00
<b>State Revenue Subtotal</b>	<b>\$ -</b>	<b>\$ 4.02</b>	<b>\$ 35.83</b>	<b>\$ 86.78</b>	<b>\$ 79.60</b>	<b>\$ 29.53</b>	<b>\$ 11.24</b>	<b>\$ -</b>	<b>\$ 247.00</b>

<b>TOTAL SOURCES</b>	<b>\$ 54.01</b>	<b>\$ 13.19</b>	<b>\$ 80.22</b>	<b>\$ 196.44</b>	<b>\$ 185.22</b>	<b>\$ 69.58</b>	<b>\$ 43.59</b>	<b>\$ 37.12</b>	<b>\$ 679.38</b>
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Board Report

File #: 2020-0931, File Type: Budget

Agenda Number: 44.

CONSTRUCTION COMMITTEE  
MARCH 18, 2021

SUBJECT: EASTSIDE ACCESS IMPROVEMENTS PROJECT

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

- A. ESTABLISH a life-of-project budget for the Eastside Access Improvements Project (Project) in the amount of \$29,703,098 consistent with the provisions of the Board-adopted Measure R and Measure M Unified Cost Management Policy (Attachment B).
- B. AUTHORIZE the Chief Executive Officer to negotiate and execute project related agreements, including contract modifications, up to the authorized Life-of-Project budget.

ISSUE

The establishment of the LOP Budget for the Project at the time of construction contract award is consistent with the recommendations in the Office of the Inspector General (OIG) Construction Management Best Practices Study Report and lessons learned regarding establishing final budgets, when adequate information (such as the receipt of hard bids) is available. Bids for the design-bid-build construction of the project were received on January 25, 2021 and the recommended award under the CEO’s delegated authority.

BACKGROUND

The Project was awarded funding through Federal TIGER Grant CA-79-0005-00 (\$11,800,000) and \$30,000,000 is included in the Measure R Ordinance for the “Eastside Light Rail Access (Gold Line)” transit project. The Project is intended to improve multi-modal access to Metro’s bus and rail facilities located at Union Station and enhancements in the Little Tokyo and surrounding neighborhoods.

The Project elements include:

**Segment 1: 1st Street:** (From Los Angeles Street to Mission Road)

This segment includes construction of bike lanes, LED street light upgrades, and wayfinding signage

**Segment 2: Alameda Esplanade:** (From 1st Street to Commercial Street)

This segment includes construction of an esplanade including installation of bike lanes, pedestrian walkway, trees, streetlights, pedestrian lights, low impact development improvements, crosswalks, landscaping, wayfinding signage

**Segment 3: Los Angeles Street:** (From Arcadia Street to 2<sup>nd</sup> Street)

This segment includes construction of crosswalks, LED street light installation and upgrades, trees, and wayfinding signage

**Segment 4: People Street:** (2<sup>nd</sup> Street and Traction)

This segment includes installation of wayfinding signage

**Segment 5: Central Avenue:** (1<sup>st</sup> Street and 3<sup>rd</sup> Street)

This segment includes LED street light installation and upgrades, street furniture restoration, decorative crosswalks restoration, and wayfinding signage

**Segment 6: Judge John Aiso and San Pedro Street** (From Temple to 3<sup>rd</sup> Street)

This segment includes LED street light upgrades, decorative crosswalks restoration, and wayfinding signage

**Segment 7: Santa Fe Spine:** (From 4<sup>th</sup> Street and Vignes Street)

This segment includes LED street light installation and upgrades, crosswalks, vehicle and pedestrian traffic lights, mid-block crossing, trees, bike lanes, curb ramps, and wayfinding signage

## **DISCUSSION**

To date, the Project has been funded on a fiscal year basis. The proposed LOP budget for this project has been based on total project costs incurred, the bid prices, and contingency.

The Project will be funded through a combination of Federal grant funding and Metro local funding, as shown in Attachment A Funding and Expenditures Plan.

Funding for the Eastside Light Rail Access (Gold Line) has also been expended on two separate phases of this transit project.

## **DETERMINATION OF SAFETY IMPACT**

This project includes new bike lanes, lighting upgrades, signage, crosswalks, and curb ramp upgrades in the Union Station, Little Tokyo, and Arts District neighborhoods. As such, approval of this

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item will have a positive safety impact for Metro bus and rail passengers, pedestrians, and active transportation users.

### **FINANCIAL IMPACT**

The Board approval of \$29.7 million LOP for Eastside Access Phase 3 will exceed the \$30 million allotment of Measure R 35% Transit funds for the combined three phases for Eastside Access Improvements efforts. As such, Unified Cost Management Policy analysis is provided in Attachment B. The \$3.3 million required in FY21 for Phase 3 is included in the adopted budget. This is a multi-year project and it is the responsibility of the Project Manager and Chief Program Management Officer to budget for this project in future fiscal years.

#### **Impact to Budget**

The sources of funds for the recommended actions are Federal TIGER VII Grant, Measure R Transit Capital (35%), federal formula, and Proposition C Transit-Related Streets and Highways (25%). Metro staff will concurrently work with the subregion to provide the required 120 day written notification and seek formal approval from the governing body for use of the subregional equity program as a reimbursement or funding source for future expenditures. Should the subregion not approve the use of the funds, Metro staff will return to the Board with an update on the funding sources and a fiscal impact analysis of the use of these funds for the project.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This recommendation supports strategic plan goal # 3 by providing people with alternative mobility options near public transit and downtown Los Angeles.

### **ALTERNATIVES CONSIDERED**

The Board may choose not to move forward with the establishment of an LOP budget. This is not recommended as this may jeopardize current and future grant opportunities.

### **NEXT STEPS**

Upon Board approval of the recommendations, staff will move the Project forward into construction.

### **ATTACHMENTS**

Attachment A - Funding and Expenditure Plan

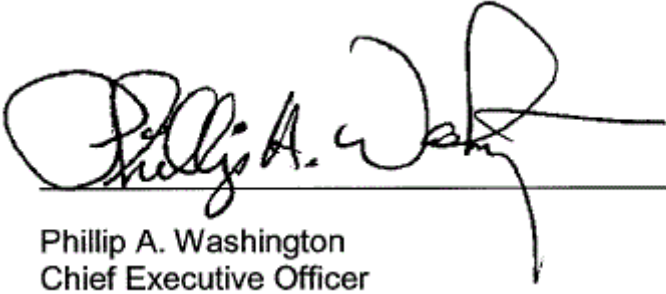
Attachment B - Measure R and Measure M Unified Cost Management Policy

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Phillip A. Washington  
Chief Executive Officer

**Eastside Light Rail Access (pedestrian) - Phase I & II**

ATTACHMENT A

*Uses of Funds*

(millions \$)

Phase	Thru FY20	FY21	FY22	FY23	FY24	Total
Phase 1 - City of LA (460300)	\$ 12.8	\$ 0.1	\$ -	\$ -	\$ -	\$ 12.9
Phase 2 - County of LA (460300)	\$ 2.2	\$ 0.0	\$ 1.8	\$ 3.5	\$ 3.5	\$ 11.1
<b>TOTAL USES</b>	<b>\$ 15.0</b>	<b>\$ 0.1</b>	<b>\$ 1.8</b>	<b>\$ 3.5</b>	<b>\$ 3.5</b>	<b>\$ 24.0</b>

*Sources of Funds*

**Local Revenue**

Measure R - Transit Capital (35%)	\$ 15.0	\$ 0.1	\$ 1.8	\$ 3.5	\$ 3.5	\$ 24.0
<b>Local Revenue Subtotal</b>	<b>\$ 15.0</b>	<b>\$ 0.1</b>	<b>\$ 1.8</b>	<b>\$ 3.5</b>	<b>\$ 3.5</b>	<b>\$ 24.0</b>

<b>TOTAL SOURCES</b>	<b>\$ 15.0</b>	<b>\$ 0.1</b>	<b>\$ 1.8</b>	<b>\$ 3.5</b>	<b>\$ 3.5</b>	<b>\$ 24.0</b>
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**Eastside Light Rail Access (pedestrian) - Phase III**

*Uses of Funds*

(millions \$)

Phase	Thru FY20	FY21	FY22	FY23	FY24	Total
Phase 3 - 1st & Central (460300/463300)	\$ 5.6	\$ 6.0	\$ 12.8	\$ 5.3	\$ -	\$ 29.7
<b>TOTAL USES</b>	<b>\$ 5.6</b>	<b>\$ 6.0</b>	<b>\$ 12.8</b>	<b>\$ 5.3</b>	<b>\$ -</b>	<b>\$ 29.7</b>

*Sources of Funds*

**Federal Revenue**

TIGER Grants	\$ 5.6	\$ 4.2	\$ 1.9	\$ -	\$ -	\$ 11.8
<b>Federal Revenue Subtotal</b>	<b>\$ 5.6</b>	<b>\$ 4.2</b>	<b>\$ 1.9</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11.8</b>

**Local Revenue**

Measure R - Transit Capital (35%)		\$ 1.8	\$ 4.2	\$ -	\$ -	\$ 6.0
Other Local Funds	\$ -	\$ -	\$ 6.6	\$ 5.3	\$ -	\$ 11.9
<b>Local Revenue Subtotal</b>	<b>\$ -</b>	<b>\$ 1.8</b>	<b>\$ 10.8</b>	<b>\$ 5.3</b>	<b>\$ -</b>	<b>\$ 17.9</b>

<b>TOTAL SOURCES</b>	<b>\$ 5.6</b>	<b>\$ 6.0</b>	<b>\$ 12.8</b>	<b>\$ 5.3</b>	<b>\$ -</b>	<b>\$ 29.7</b>
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**Eastside Light Rail Access (Gold Line) 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 Eastside Light Rail Access (Gold Line) is subject to this policy analysis.

The total cost for the project is listed at \$30,000,000 in the Measure R Ordinance Expenditure Plan. The project is subject to the Policy analysis now due to a proposed \$29,703,098 LOP budget for the Eastside Access Improvements Project, which together with expenditures on Phase I and Phase II of the broader “Eastside Access Project” exceed the Expenditure Plan cost. 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.

**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 schedule for the Eastside Access Improvements Project has been delayed significantly due to the needed interface with adjacent Metro projects Regional Connector, Center Street, Division 20, and Patsaouras Plaza. Extensive iterations were also required from the design review process that further delayed this project. Because of the delays, Metro needed to request an extension in the TIGER grant period of performance until September 2022. Any attempt to identify and negotiate agreeable

reductions to the scope may result in further delays, potential additional costs, and loss of a portion of the TIGER grant. 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 eligible for \$30,000,000 of funding that is identified in the Measure R sales tax ordinance Expenditure Plan, less expenditures already made on Phase I and Phase II.

The project is located in the Central City Area subregion (as defined in the Policy, as amended), with improvements located in the city of Los Angeles. Local funding resources from the subregion and city 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 Central City Area subregion. The subregion (represented by its Council of Governments) could allocate a portion of the funding for the project. The Central City Area subregion has a Subregional Equity Program (SEP) that is transit-eligible. The Measure M Expenditure Plan includes \$235 million for the Central City Area SEP. The SEP funds are programmed beginning in FY 2043 in the Long Range Transportation Plan Financial Forecast due to limited financial capacity. Staff has previously recommended that the South Bay and Central City Area subregions allocate a portion of the SEP to address a \$90 million cost increase on the Crenshaw/LAX Transit Project, and the San Gabriel Valley subregion allocate \$126 million for Gold Line Foothill 2B.

Per Board action in May 2020 (Motion 38.1 # 2020-0356), use of the SEP requires approval by and 120 days notice to the subregional governing body. Staff is also developing, in partnership with all Board offices, a uniform process by which subregions can elect to use SEP funding.

#### *Local Agency Contributions*

Measure M, as well as Measure R and Propositions A and C, provide “local return” funding to Los Angeles. 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 USDOT provided funding in 2015 through a \$11.8 million TIGER grant. Additional State or federal discretionary funding (where Metro would compete for the funding) is not probable, given the project has experienced multiple delays.

### Value Engineering

Any attempt to identify and negotiate agreeable value engineering may result in further delays, potential additional costs, and loss of a portion of the TIGER grant. Because of this, we recommend moving to the next step.

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

The city receives 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.

### 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.

### *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.

Metro receives federal formula funding from the Congestion Mitigation and Air Quality (CMAQ) Improvement Program and the Surface Transportation Block Grant Program (STBG). These funds are eligible for use on the project, but are currently programmed

for other Metro projects and programs in the Long Range Transportation Plan. Metro also receives an allocation of funds from the “Highway Infrastructure Program,” which is a federal formula grant created in 2018 for uses that include the construction of highways, bridges, tunnels, transit capital, and ITS; operational improvements; highway and transit safety improvements; and pedestrian and bicycle projects, among others. Funding from this grant will be programmed in the pending 2021 Short Range Transportation Plan.

### **Recommendation**

Metro staff recommends the use of \$11.9 million from federal formula funds and Proposition C 25% to fund the cost increase. The programming of the funds does not require subregional approval and can allow the construction contract award to proceed. This reduces the risk that costs are not reimbursed from the federal TIGER grant, which has a deadline of September 2021. Metro staff will concurrently work with the subregion to provide the required 120 day written notification and seek formal approval from the governing body for use of the subregional equity program as a reimbursement or funding source for future expenditures. Should the subregion not approve the use of the funds, Metro staff will return to the Board with an update on the funding sources and a fiscal impact analysis of the use of these funds for the project.