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Agenda - Final

Thursday, June 16, 2022

11:00 AM

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Construction Committee

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Fernando Dutra, Vice Chair

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Tony Tavares, non-voting member

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(ALSO APPLIES TO BOARD COMMITTEES)

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CALL TO ORDER**ROLL CALL****33. SUBJECT: CRENSHAW/LAX CLOSE-OUT PROJECT**[2022-0337](#)**RECOMMENDATION**

AMEND the Life-of-Project (LOP) budget by \$17,000,000 for the Crenshaw/LAX Close-Out Project (CP 869512) from \$30,000,000 to \$47,000,000.

Attachments: [Attachment A - Funding Expenditure Plan 17M](#)
[Attachment B - Projected Breakdown of Cost Allocation](#)
[Attachment C - Closeout Project Scope of Work](#)
[Attachment D - Measure R and M Unified Cost Management Policy Analysis Presentation](#)

34. SUBJECT: SYSTEMS ENGINEERING AND SUPPORT SERVICES CONTRACT[2022-0296](#)**RECOMMENDATION**

CONSIDER:

- A. APPROVING an increase in total authorized funding for Contract No. AE47810E0128 with SECOTrans (Joint Venture of LTK Engineering Services, NBA Engineering Inc., Pacific Railway Enterprises Inc., and Ramos Consulting Services, Inc), for pending and future Task Orders to provide systems engineering and support services for Metro Rail and Bus Transit projects, in the amount of \$28,850,000 increasing the total contract authorized funding from a not-to-exceed amount of \$66,432,000 to a not-to-exceed amount of \$95,282,000 through Fiscal Year 2024; and
- B. AUTHORIZING the Chief Executive Officer (CEO) or their designee to execute individual Task Orders and Contract Modifications within the Board approved contract funding amount.

Attachments: [Attachment A - Procurement Summary](#)
[Attachment B - Proposed Task Order Work](#)
[Attachment C - DEOD Summary](#)

35. **SUBJECT: 3% CONTRIBUTION MOTION RESPONSE** [2022-0331](#)

RECOMMENDATION

RECEIVE AND FILE a report on the approach to the 3% local contribution per Board Motion 35 (Attachment A).

Attachments: [Attachment A - Board Motion 35](#)
 [Attachment B - 3% Local Contribution Fact Sheet](#)
 [Presentation](#)

36. **SUBJECT: FY23 ANNUAL PROGRAM EVALUATION FOLLOW UP** [2022-0361](#)

RECOMMENDATION

RECEIVE AND FILE status report on the FY23 Annual Program Evaluation Follow-Up (Attachment A).

Attachments: [Attachment A - Action Plan](#)

37. **SUBJECT: PROGRAM MANAGEMENT MAJOR PROJECT STATUS REPORT** [2022-0333](#)

RECOMMENDATION

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

Attachments: [Presentation](#)

SUBJECT: GENERAL PUBLIC COMMENT[2022-0359](#)

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 #: 2022-0337, **File Type:** Project**Agenda Number:** 33.

**CONSTRUCTION COMMITTEE
JUNE 16, 2022****SUBJECT: CRENSHAW/LAX CLOSE-OUT PROJECT****ACTION: APPROVE LIFE-OF-PROJECT BUDGET INCREASE****RECOMMENDATION**

AMEND the Life-of-Project (LOP) budget by \$17,000,000 for the Crenshaw/LAX Close-Out Project (CP 869512) from \$30,000,000 to \$47,000,000.

ISSUE

The Crenshaw/LAX Close-Out Project Life of Project (LOP) budget requires an increase of \$17,000,000 to pay for construction cost escalation due to market conditions, increased legal and claim support services, supported costs for Metro staff, and professional service contracts to continue management and oversight of the Project necessary for project completion.

The funding requested is to provide continued support for the close-out project and funding for punch-out work commencing after substantial completion of the Crenshaw/LAX Design-Build Project has been achieved, yet still allowing revenue service to commence in Fall 2022.

BACKGROUND

The Crenshaw/LAX (C/LAX) Transit Project is a north/south light rail line that will serve 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 intersection of 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).

As the project neared completion, Staff requested a Close-Out Project to provide funding for work to commence after substantial completion of the C/LAX Design-Build Project was achieved. On May

28, 2020, the Board approved a Life-of-Project (LOP) budget of \$30,000,000 for the C/LAX Close-Out Project. Funding for the Close-Out Project is separate from the C/LAX Design-Build Project, allowing Metro flexibility to close out the Design-Build Project and related administrative elements more timely. The scope of the Close-Out Project includes additional work required for the project that, due to timing constraints, is not recommended to be issued to the Design-Builder (DB). Funding for the Close-Out Project also includes costs to extend Metro staff and professional services through the then forecasted substantial completion date and legal services required to defend against expected claims from the DB.

DISCUSSION

The approved LOP funding level was based on substantial completion forecasted for December 2020, and revenue service commencing in 2021. Since approval of the LOP budget in 2020, the C/LAX Design-Build Project has experienced additional schedule delays, the Design-Builder has submitted its claim, legal costs to analyze and defend the claim are accruing at a higher rate than anticipated, and the bid received for the Segments A and B Close-Out work far exceed the planned budget.

UNFORESEEN MARKET CONDITIONS AND INFLATION

During procurement of the Segments A and B C/LAX Construction Punch Out Work Contract (C1217), several factors contributed to cost increases and higher than anticipated bid prices:

- Materials shortages
- Construction cost increases
- Production delays
- Skilled Labor Shortages

Staff recommends a total LOP budget increase of \$17 million. This increase will provide funding for Segment C additional Punch Out construction work at the underground stations, increased legal services required to defend against the design-builder claim, extended Metro staff and professional services required to support completion of the Project through Revenue Service this Fall, and replenishment of project contingency. See below for a more detailed explanation.

TOTAL LOP INCREASE \$17,000,000

With this understanding, an LOP increase is requested to be allocated as follows:

- \$3,000,000 Segment C “Punch-List” construction work
- \$9,000,000 Legal Services for claim defense
- \$3,000,000 Claim Support Services
- \$1,000,000 Professional Services and Metro Staff
- \$1,000,000 Contingency

DETERMINATION OF SAFETY IMPACT

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

projects.

FINANCIAL IMPACT

The current LOP budget for Project 869512, is funded with Metro Proposition C 25% Transit-Related Streets and Highways funds. If all actions are approved, the LOP budget will increase by \$17,000,000 from \$30,000,000 to \$47,000,000. Funds required through Fiscal Year 2022 have been requested through the annual Fiscal Year 2022 budget process. The additional LOP funding will be programmed through FY23 and FY24 in Cost Center 8510, Construction Contracts/ Procurement, under Project 869512.

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

Impact to Budget

Eligible local funds available at the time of expenditure will be utilized to fund this project. These may include operating eligible funding sources.

Multiyear Impact

The sources of funds for the Project are capital funds identified in the recommended Funding/Expenditure Plan as shown in Attachment A. With respect to the \$17,000,000 increase, Attachment D shows the Measure R and Measure M Unified Cost Management Policy (the Policy) analysis and funding strategy.

To comply with the Policy of the Metro Board of Directors, Metro staff has evaluated potential offsetting cost reductions, including 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 not available. The Policy analysis identifies available and eligible local funds at the time of expenditure (Countywide Other Funds) as the funding that can address the \$17,000,000 cost increase. Metro staff attempted to identify local funding specific to the Project corridor and affected Central City Area and South Bay subregions but was not able due to restrictions on using those funds.

EQUITY PLATFORM

The Crenshaw/LAX Close-Out Project will support the Crenshaw/LAX (C/LAX) Transit Project, which will serve the cities of Los Angeles, Inglewood, Hawthorne and El Segundo as well as portions of unincorporated Los Angeles County. All eight stations (100%) are within or adjacent to Equity Focus Communities. Project equity benefits and impacts include:

1. Providing better transit connectivity and increasing light rail transportation service from the Metro

Expo Line to the Metro Green Line south of the Aviation/LAX Station.

2. Increasing service frequency, reliability, and access for communities that use the Metro transit system along the Century/Aviation, Westchester/Veteran, Downtown Inglewood, Fairview Heights, Hyde Park, Leimert Park, Martin Luther King and Exposition Stations for housing, jobs, educational, medical and entertainment needs.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Project is consistent with the following Metro Vision 2028 Goals and Objectives:

Goal 1: Providing high-quality mobility options and improving transit efficiency.

Goals 4 and 5: Transforming LA County through regional collaboration with Caltrans and the Corridor Cities by contributing funds and providing resources to assist Caltrans in management and delivery of these projects.

ALTERNATIVES CONSIDERED

The Board may choose not to move forward with amending the LOP Budget. This is not recommended as this may limit Metro's flexibility and ability to manage and complete the required scope of work in the most timely and cost-effective manner and could jeopardize Metro's ability to provide its best legal defense against claims submitted by the design-builder.

NEXT STEPS

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

ATTACHMENTS

Attachment A - Funding/Expenditure Plan

Attachment B - Projected Breakdown of Cost Allocation

Attachment C - Close-Out Project Scope of Work

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

Prepared by:

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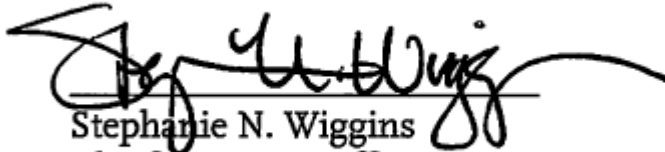
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Reviewed by:

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Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A
(2022-0337)
Crenshaw/LAX Closeout Project
Funding / Expenditure Plan*
(Dollars in Millions)

| Capital Project CP869512 | FY21 | FY22 | FY23 | FY24 | FY25 | TOTAL | % Of Total |
|-----------------------------|---------------|--------------|--------------|-------------|-------------|--------------|-------------|
| Uses of Funds | Actual | | | | | | |
| Construction | - | - | 7.04 | 4.76 | 0.20 | 12.00 | 25.5% |
| Prof Services | 0.01 | 11.75 | 16.28 | 4.09 | 0.37 | 32.50 | 69.1% |
| Project Contingency | - | - | - | - | 2.50 | 2.50 | 5.3% |
| Subtotal | 0.01 | 11.75 | 23.32 | 8.85 | 3.07 | 47.00 | 100.0% |
| Total Project Costs: | 0.01 | 11.75 | 23.32 | 8.85 | 3.07 | 47.00 | 100% |
| Sources of Funds | | | | | | | |
| Local/Federal Sources | 0.01 | 11.95 | 18.04 | 15.80 | 1.20 | 47.00 | 100% |
| TOTAL: | 0.01 | 11.95 | 18.04 | 15.80 | 1.20 | 47.00 | 100% |

*Sources of funds are subject to change. Assumes Contractor Substantial Completion May 2022 and Metro Revenue Service October 2022.

**FY23-FY25 is projected.

ATTACHMENT B

(2022-0337)

C/LAX Close Out Project (CP869512)

Projected Breakdown of Cost Allocation for \$17 million

| Amount | Descriptions |
|---------------------|--|
| \$3,000,000 | Construction <ul style="list-style-type: none">○ Segment C "Punch-List" Contract (includes testing) |
| \$9,000,000 | Professional Services Legal Services <ul style="list-style-type: none">○ Procured legal services to assist project management with preparing documentation and analysis in support of Metro's defense against claims submitted by the contractor. |
| \$3,000,000 | Claim Support Services <ul style="list-style-type: none">○ Arcadis Inc.: claims support consultant to assist with preparing documentation and analysis in support of Metro's defense against claims submitted by the contractor. |
| \$1,000,000 | Other Professional Services <ul style="list-style-type: none">○ Metro Staff at Gateway and at multiple field offices who perform oversight in various disciplines.○ CMSS - 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.○ Miscellaneous professional Services support . |
| \$1,000,000 | Unallocated Contingency <ul style="list-style-type: none">○ Amount not yet allocated to a specific line item but is required for anticipated unknown cost increases. |
| \$17,000,000 | Total Increase |

ATTACHMENT B
(2022-0337)
C/LAX Close Out Project (CP869512)
Scope of Work

| Item No. | Item Description | Package |
|-----------------|--|----------------|
| 1 | Procure and install left turn gates along PMH | A |
| 2 | Modify the existing traffic signal at Florence/West | A |
| 3 | Replace an existing 24" steel water line with a new 24" ductile iron water line. Approximatley 620' of ductile iron pipe | A |
| 4 | Trim (127) palm trees adjacent to the alignment | A |
| 5 | Build a redundant Radio Fiber Channel System | A |
| 6 | Procure and install 4' drop signs at the UG stations | A |
| 7 | Install suicide prevention signs | A |
| 8 | Construct a new water line and new fire hydrant | A |
| 9 | Remove an existing step up transformer and replace with a new Metro furnished step up transformer | A |
| 10 | Remove temporary room signs and procure and install new signs | A |
| 11 | Additional wayfinding signs | A |
| 12 | Procure and install additional map cases | A |
| 13 | Paint hatch covers at UG stations | A |
| | | |
| 14 | Construct Fairview Heights parking lot | B |
| 15 | Install CCTV's and EV chargers at the parking lot | B |
| 16 | Paint existing and install missing wrought iron fence | B |
| 17 | Florence Ave and La Colina paving improvements | B |
| 18 | Striping for the paving improvements | B |
| 19 | Construct 60 LF of concrete barrier and install (2) crash cushion end treatments | B |
| 20 | Install about 480 LF of metal beam guard rail | B |
| 21 | PCC pave 3,840 SF area on SB Aviation, south of Imperial Hwy | B |
| 22 | Procure and install a stainless steel vertical trim piece | B |
| 23 | Paint black the backside of existing wayside signs | B |
| 24 | Construct minor civil improvements | B |
| 25 | Install infrasttucture for a video wall | B |
| 26 | Adjust, relocate and/or remove conflicting utilities or unknown buried obstructions | B |
| 27 | Provide support for special events | B |
| 28 | Install bird deterrents at stations | B |

Crenshaw/LAX Close Out 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 Close Out 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 May 2020 at \$30,000,000. The Project is subject to the Policy analysis now due to a proposed \$17,000,000 increase to the LOP budget. Funding for the cost increase is needed through FY 2025. This analysis recommends trade-offs required by the Policy to identify the funds necessary to meet the cost increase.

The LOP budget requires an increase of \$17,000,000 to pay for construction escalation due to market conditions, increased legal services, Metro staff, and professional service contracts to continue management and oversight of the Project.

The original LOP was to provide support to achieve Substantial Completion in December 2020 and revenue service to commence in 2021. The revenue service date for the Project is currently forecasted to be fall 2022.

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 higher construction costs due to market conditions, increased legal and claim support services, and additional management and oversight. 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 Measure R funding but this is entirely allocated to the Crenshaw/LAX Transit project.

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 R, as amended, includes funding for a "South Bay Transit Investments" program and the South Bay subregion (represented by its Council of Governments) could allocate a portion of the funding for the Project. Metro staff will contact the subregion to determine if it would allocate any funding. However, due to the time constraints of this Board item, this funding is not considered available for the Project cost increase.

Measure M includes funding for a transit-eligible multi-year subregional program (MSP) for the South Bay and Central City Area subregions. The MSP is eligible beginning FY 2018 and entitled the Subregional Equity Program (SEP). However, Motion #2021-0435 amends the Policy to "eliminate the Subregional Equity Program from consideration to address project funding shortfalls during construction" and is not considered available for the Project cost increase.

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 2023 to FY 2032 that is eligible for transit use and could contribute a portion to the Project. However, prior Board actions relating to the Twenty-Eight by '28 Initiative and funding for the cost increase to Foothill Extension to Pomona, Crenshaw/LAX Transit, Westside Subway Section 1, and Eastside Access 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 Crenshaw/LAX Transit 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 Crenshaw/LAX Transit project and Crenshaw Close Out Project have experienced multiple cost increases and the design/build contract is almost completed.

Value Engineering

The Project cost increase is attributable to higher construction costs due to market conditions, increased legal and claim support services, and additional management and oversight. 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 and SEP 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, which is currently in construction with an LOP budget of \$898,581, approved by the Board in April 2021. This project is not yet completed and does not have cost reductions that could be used for 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 2025, 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 2027. The RIP has been allocated to projects submitted in Metro's 2022 RTIP and the next cycle of the LPP is planned to be used on the Division 20 project.

The Crenshaw/LAX Transit project has previously received federal Surface Transportation Block Grant Program (STBG) and Congestion Mitigation & Air Quality Program (CMAQ) funding and these may be eligible for use on the Project to address the cost increase. However, the funding is currently programmed for other uses in the Long Range Transportation Plan Financing Forecast including Crenshaw/LAX Transit and other Metro rail operating expenses, and HOV projects, and any allocation to the Project would reduce the availability for competing uses as is not recommended.

Recommendation

We recommend that the \$17,000,000 cost increase for the Project is funded with available and eligible local funds at time of expenditure (Countywide Other Funds) as the funding (including debt financing). The Policy analysis has looked at potential cost reductions and these are not feasible given the status of the Project and timing of the funding need. The Policy analysis has also considered local funding from the subregions, including Measure R South Bay Transit Investments, the Subregional Equity Program, local return, and the defunding of projects in the Call For Project and or cost savings from other projects and has determined that this funding is not available. State and federal formula funding were also evaluated but these are not available as they are programmed for other uses in Metro's financial forecast.

Board Report File #2022-0337

Subject: Crenshaw/LAX Closeout Project
Amend LOP Budget by \$17M from \$30M to \$47M



Board Report File #2022-0337

Subject: Crenshaw/LAX Closeout Project

Amend LOP Budget by \$17M from \$30M to \$47M

- **ACTION: APPROVE LIFE-OF-PROJECT BUDGET INCREASE**
- **Scope**
 - Maximize the ability to mitigate the delay of Crenshaw's substantial completion by completing some non-revenue service required items before and after substantial completion
 - Provide funding for Segment C "Punch-List Contract" to be solicited to handle the remaining miscellaneous items required to be constructed but as schedule mitigation, can be completed after substantial completion
 - Legal and claim support services support to defend against any claims by the design-builder
 - Includes close out of professional services contracts

Board Report File #2022-0337

Subject: Crenshaw/LAX Closeout Project

Amend LOP Budget by \$17M from \$30M to \$47M

ATTACHMENT A

(2022-0337)

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

| Capital Project CP869512 | FY21 | FY22 | FY23 | FY24 | FY25 | TOTAL | % Of Total |
|-----------------------------|---------------|--------------|--------------|-------------|-------------|--------------|-------------|
| | Actual | | | | | | |
| Uses of Funds | | | | | | | |
| Construction | - | - | 7.04 | 4.76 | 0.20 | 12.00 | 25.5% |
| Prof Services | 0.01 | 11.75 | 16.28 | 4.09 | 0.37 | 32.50 | 69.1% |
| Project Contingency | - | - | - | - | 2.50 | 2.50 | 5.3% |
| Subtotal | 0.01 | 11.75 | 23.32 | 8.85 | 3.07 | 47.00 | 100.0% |
| Total Project Costs: | 0.01 | 11.75 | 23.32 | 8.85 | 3.07 | 47.00 | 100% |
| Sources of Funds | | | | | | | |
| Local/Federal Sources | 0.01 | 11.95 | 18.04 | 15.80 | 1.20 | 47.00 | 100% |
| TOTAL: | 0.01 | 11.95 | 18.04 | 15.80 | 1.20 | 47.00 | 100% |

*Sources of funds are subject to change. Assumes Contractor Substantial Completion May 2022 and Metro Revenue Service October 2022.

**FY23-FY25 is projected.



Metro

Board Report File #2022-0337

Subject: Crenshaw/LAX Closeout Project

Amend LOP Budget by \$17M from \$30M to \$47M

| Capital Project CP869512 | \$30M Original LOP Jul-20 | \$30M Adjusted LOP Current | \$17M LOP Increase Jun-22 | \$47M Revised LOP Jun-22 | Expended thru 4/30/2022 | \$47M Cost To-Go thru 4/30/2022 |
|--------------------------|---------------------------------|----------------------------------|---------------------------------|--------------------------------|----------------------------|---------------------------------------|
| June 2022 LOP Increase | | | | | - | |
| Construction | 15,000,000 | 10,000,000 | 3,000,000 | 13,000,000 | - | 13,000,000 |
| Prof Services | 2,700,000 | 8,138,896 | 1,000,000 | 9,138,896 | 1,142,950 | 7,995,946 |
| Legal/Claim Services | 7,200,000 | 11,361,105 | 12,000,000 | 23,361,105 | 6,553,280 | 16,807,825 |
| Project Contingency | 5,100,000 | 500,000 | 1,000,000 | 1,500,000 | - | 1,500,000 |
| Total : | 30,000,000 | 30,000,000 | 17,000,000 | 47,000,000 | 7,696,230 | 39,303,770 |



Board Report

File #: 2022-0296, File Type: Project

Agenda Number: 5.

CONSTRUCTION COMMITTEE JUNE 16, 2022

SUBJECT: SYSTEMS ENGINEERING AND SUPPORT SERVICES CONTRACT

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. APPROVING an increase in total authorized funding for Contract No. AE47810E0128 with SECOTrans (Joint Venture of LTK Engineering Services, NBA Engineering Inc., Pacific Railway Enterprises Inc., and Ramos Consulting Services, Inc), for pending and future Task Orders to provide systems engineering and support services for Metro Rail and Bus Transit projects, in the amount of \$28,850,000 increasing the total contract authorized funding from a not-to-exceed amount of \$66,432,000 to a not-to-exceed amount of \$95,282,000 through Fiscal Year 2024; and
- B. AUTHORIZING the Chief Executive Officer (CEO) or their designee to execute individual Task Orders and Contract Modifications within the Board approved contract funding amount.

ISSUE

In April 2018, the Board approved awarding a seven-year cost reimbursable fixed fee, Task Order (TO) based Contract No. AE47810E0128, plus three one-year options, to SECOTrans, a Joint Venture for Systems Engineering and Support Services (SESS) consultant. Board approval included the staff request to return to the Board on a biennial basis as projects progressed and new project requirements were identified to update contract expenditure authorization. Previous Board actions provided total authorization of \$66,432,000, of which \$15,000,000 was included to support the future Rail Operations Center and Bus Operations Center (ROC/BOC) Project. Additionally, due to the ongoing requirements of the agency's Measure M and R programs, staff is seeking an additional \$28,850,000 in total contract authority. Board approval of the staff recommendation will increase contract value by \$28,850,000 to a new NTE amount of \$95,282,000 through Fiscal Year 2023-2024 (FY24).

Staff will continue to return to the Board on a biennial basis to request any additional contract authorization as conditions, program, and project requirements warrant.

BACKGROUND

To date, staff has awarded TO's and Contract Modifications (MODS) totaling \$50,046,117 with \$16,385,883 in authorized funding remaining. The SESS Consultant has exceeded their DBE commitment by 12.73% percent based on the TOs executed to date. Examples of projects supported by this contract include Metro Operational Simulation Analyses (Washington/Flower junction delays, LRT network recovery analyses, street running delay reduction strategies for A & E lines), Metro G (Orange) Line BRT Improvements, Westside D (Purple) Line 1/2/3, Metro A (Blue) Line Upgrades, East San Fernando Valley Light Rail Transit, Eastside Phase 2 and West Santa Ana Branch Transit. Attachment C includes a complete listing of the TO's and MODS executed since the beginning of the SESS contract. As indicated during initial approval, staff is now seeking an additional two-year funding authorization to support Systems Engineering, Measure R, and Measure M projects.

DISCUSSION

With the approval of Measure M, the ongoing implementation of the Measure R program required State of Good Repair initiatives, and the Board's desire to accelerate eligible projects before the 2028 Olympics, staff has engaged a SESS to provide a broad range of systems engineering design and related support services to supplement current Systems Engineering Department resources. Metro's capital program is over \$23 billion and requires extensive resources with the ability to react quickly to a wide range of complex technical issues. With a strong core staff located in Los Angeles, the SESS can apply and withdraw resources as project workloads fluctuate over time. The SESS has the extensive experience and capability to support the complete project lifecycle, from the conceptual phase to final design and construction.

Due to the intensive system integration requirements and length of time needed to deliver major capital improvement projects, this contract has allowed Metro to efficiently and effectively augment Program Management staff where appropriate to ensure the proper project resources are available to Metro in terms of additional staff and technical expertise.

The SESS provides a single systems engineering team and associated sub-specialties with the necessary resources to assist in the planning, development, and delivery of Metro's aggressive schedule of projects for the next decade. Examples of systems engineering disciplines include traction electrification, overhead contact systems (OCS), train control, communications, supervisory control and data acquisition (SCADA), rail simulations, corrosion control, systemwide electrical and other specialized disciplines.

Other Considerations

The challenge presented by the simultaneous implementation of numerous projects is to ensure the integration and standardization of the systems elements within and across the current Metro system. Consistent development and design are necessary to ensure that the required integration is achieved with respect to civil and electrical infrastructure, vehicles, control systems, communications, operations, maintenance, security, training, etc.

Prior to the procurement of the SESS, each project would use a different consultant for this work,

resulting in inconsistent applications. This approach was no longer feasible or advisable with the large volume of projects now underway. With a single SESS design team on staff, the standardization of design, construction and functionality of systems elements will keep Metro's long-term interest in system interoperability, maintainability and safety at the forefront. A fully-integrated network requires consistency of systems design and not a collection of potentially incompatible independent designs arising from separate projects. This approach has been implemented successfully in other transit agencies nationwide and the benefits of full systems standardization include:

- Interoperability and efficient maintainability
- Improved commercial viability
- Reduced spares requirements
- Reduced training requirements
- Flexibility to adapt to changing circumstances

In addition to the projects listed above and in Attachment C, staff expects the SESS to provide systems engineering services for current and future rail and bus transit projects and other capital improvement projects, including, but not limited to, the following:

- East San Fernando Valley Transit Corridor
- L (Gold) Line Eastside Phase 2 Extension
- C (Green) Line South Bay Rail Extension
- West Santa Ana Transit Corridor
- Sepulveda Pass Transit Corridor
- Vermont Transit Corridor
- G (Orange) Line BRT Improvements
- Westside D (Purple) Line Extension Section 1/2/3

DETERMINATION OF SAFETY IMPACT

A consistent systems design process has a positive safety benefit during the construction and subsequent operations of Metro's Bus and Rail transit network.

FINANCIAL IMPACT

The requested not-to-exceed contract funding is based on the anticipated level of services that will be required through FY24. Funding for the individual TOs is included in the Board approved life-of-project (LOP) budgets; therefore, this work is within the various project budgets.

Since this is a multi-year contract, project managers, cost managers, and the Chief Program Management Officer will be responsible for budgeting costs in future years.

Impact to Budget

Funding for TOs issued under this contract is provided by the specific project(s) requiring those services, as well as project studies, other general system engineering issues, and small-scale analyses. The current funds allocated to this effort consist of federal, state, and local sources, including Measure R and Measure M. Using these funding sources maximizes the project funding parameters allowed by approved provisions and guidelines. Alternative funding sources will be applied as additional revenue funding opportunities become available.

EQUITY PLATFORM

The Systems Engineering and Support Services funds Conceptual Engineering, Preliminary Design and Specifications, Final Design, including Design Services During Construction of Transit Rail and Bus Projects for various Metro projects including West Santa Ana Branch, East San Fernando Valley transit projects and other Metro Transit projects throughout the County of Los Angeles. These services are essential for the support and on-time delivery of Metro projects across the greater Los Angeles area. All services supported by this contract are centered on avoiding project delays and promoting cost-saving measures to effectively deliver the projects with minimal impacts on the communities and provide benefits of enhanced mobility and regional access to underserved populations within the respective project areas.

SECOTrans Joint Venture made a 15% DBE overall commitment for this contract and based on payments reported, is exceeding its commitment by 12.73% with a total DBE participation of 27.73%.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Systems Engineering Support Services contract supports the following strategic goals. Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. Through this contract, the systems engineering consultant team will continue to implement innovative and state of the art engineering solutions to provide efficient mobility options throughout the LA County area. Strategic Goal 2: Deliver outstanding trip experiences for all users of the transportation system. The contract ensures the timely delivery and implementation of systems that provide essential communications, security, comfort, and reliability to all users. These factors are important areas of concern identified by Metro management and annual customer surveys. Strategic Goal 5: Provide responsive, accountable, and trustworthy governance within the Metro organization. With a regular 2-year authorization update to the Board, Metro staff will offer transparency and accountability of Systems related work involved in the Measure M program and other major capital projects.

ALTERNATIVES CONSIDERED

The Board may choose to reject the recommendation and request staff to re-procure these services through an RFP, choose to authorize an alternative amount or approve an alternative term of financial authorization. Staff does not recommend these alternatives. The use of a qualified SESS consultant has allowed the agency to secure highly technical expertise without the necessary increase in Metro's long-term labor costs. Further, by providing for an extended term contract, the Board has afforded staff the resources that seek to provide an integrated and consistent network design that

serves Metro's interests. Finally, by limiting the funding authorization to two years, greater accuracy of project scope and cost requirements are provided to the Board on a biennial basis.

NEXT STEPS

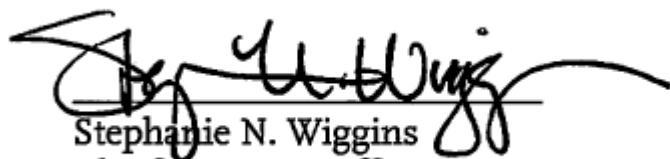
Upon Board approval, specific task orders will be issued on an as-needed basis.

ATTACHMENTS

Attachment A: Procurement Summary
Attachment B: Proposed Task Order Work List
Attachment C: DEOD Summary

Prepared By: Ron Tien, Senior Director, Systems Engineering
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418-3440

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(213) 418-3034



Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

SYSTEMS ENGINEERING SUPPORT SERVICES / CONTRACT NO. AE47810E0128

| | | | |
|----|--|----------------------|--|
| 1. | Contract Number: AE47810E0128 | | |
| 2. | Contractor: SECOTrans (Joint Venture of LTK Engineering Services, NBA Engineering Inc., Pacific Railway Enterprises Inc., and Ramos Consulting Services, Inc.). | | |
| 3. | Mod. Work Description: Increase the Contract not-to-exceed funding amount. | | |
| 4. | Work Description: Systems Engineering Support Services | | |
| 5. | The following data is current as of: May 6, 2022 | | |
| 6. | Contract Completion Status: | | Financial Status: |
| | Award Date: | April 26 2018 | Board Approved NTE Amount: \$66,432,000 |
| | Notice to Proceed (NTP): | June 14, 2018 | Total Contract Modification Authority (CMA): N/A |
| | Original Completion Date: | June 14, 2025 | Value of Task Orders and Mods. Issued to Date: \$50,046,117 |
| | Current Est. Complete Date: | June 14, 2025 | Remaining Board Approved Amount: \$16,385,883 |
| 7. | Contract Administrator: Diana Sogomonyan | | Telephone Number: (213) 922-7243 |
| 8. | Project Manager: Ron Tien | | Telephone Number: ((213) 418-3445 |

A. Contract Action Summary

On April 26, 2018, the Board of Directors approved award of Contract No. AE47810E0128 Systems Engineering and Support Services to SECOTrans (Joint Venture), in the amount not-to-exceed (NTE) \$28,932,000, to supplement Metro's Engineering Department resources in providing engineering services for projects in varying stages of conceptual design, preliminary engineering, final design, bidding for construction, and design support during construction (DSDC), including the following: program management, quality, and computer aided design and drafting (CADD); design services concerning train control, communications systems, traction power, and overhead catenary systems (OCS); operational runtime simulation and modeling, corrosion control, system integration, facilities and system-wide electrical, facilities mechanical, facilities plumbing, and facilities fire protection. The Period of Performance for the Contract is seven (7) years from NTP plus three (3) one-year options to be exercised at Metro's sole discretion.

Twenty-seven (27) Task Orders and Eighty-four (84) Task Order Modifications have been executed to date. Furthermore, six (6) Administrative Contract Modifications for zero dollars have also been executed to date. Two (2) Task Orders have been closed out where scope of work has been completed and/or level of effort is no longer needed. Additional level of effort and cost may not be incurred under the closed-out Task Orders and their associated Task Order Modifications.

Since this is a multi-year contract, the Chief Program Management Officer and the Project Managers are responsible for budgeting costs in future years, including the exercise of any options.

Consequently, funding for the award of the Supplemental Engineering and Support Services Contract was initially requested for the first two years and must be requested every two years subsequent to that for future work, contingent upon an updated annual work program and schedule.

On February 27, 2020, the Board of Directors authorized the Chief Executive Officer to award a Task Order (TO No. E0128-TO-016) under the subject contract to SECOTrans (Joint Venture) for the preliminary engineering design of the Rail Operations Center (ROC) / Bus Operations Center (BOC) Architectural and Engineering Systems Design Services, in the NTE amount of \$15,000,000, increasing the previous Board approved NTE amount from \$28,932,000 to NTE \$43,932,000 for Contract No. AE47810E0128.

On May 28, 2020, the Board of Directors further authorized \$22,500,000 for Fiscal Year (FY) 2021, increasing the NTE amount of \$43,932,000 to \$66,432,000.

For FY23 –FY24 period, the estimated NTE amount of \$28,850,000 will be required. Upon approval, the revised Contract NTE funding will be \$95,282,000.

The total contract amount will be the aggregate value of all task orders issued to the SESS Consultant through the term of the contract.

Contract No. AE47810E0128 is a cost plus fixed fee (CPFF) Contract.

B. Cost/Price Analysis

The negotiated cost and fixed fee or lump sum price for future Task Orders will be determined to be fair and reasonable based upon fact finding, technical evaluation, cost analysis, and negotiations, before issuing the task order authorizing the work to the SESS Consultant. Task Orders will be processed in accordance with Metro’s Acquisition Policy and Procedures. A cost analysis will be performed for each Task Order, considering the Independent Cost Estimate, technical analysis utilizing labor, and indirect cost rates established in the contract.

The Systems Engineering Services estimated level of effort for the additional NTE amount of \$28,850,000 was developed using the current master schedule, construction estimates, and completed work to date from the Program Management Project Controls Department. An estimated level of effort cost was determined for each project using past project costs, systems to civil project percentages along with historical rates. Depending on the type of transit project and the complexity, the percentages were derived from the overall construction costs to determine the systems construction and engineering costs. Systems engineering level of effort costs were distributed across each fiscal year according to the master schedule.

| | Cost Schedule Proposals | Estimate Level of Effort NTE Amount | Recommended NTE Amount |
|---------|--------------------------------|--|-------------------------------|
| FY 2023 | Not Required ⁽¹⁾ | \$14,050,000 ⁽²⁾ | \$14,050,000 ⁽³⁾ |
| FY 2024 | Not Required ⁽¹⁾ | \$14,800,000 ⁽²⁾ | \$14,800,000 ⁽³⁾ |

| | | | |
|-------|--------------|--------------|--------------|
| TOTAL | Not Required | \$28,850,000 | \$28,850,000 |
|-------|--------------|--------------|--------------|

- (1) A Cost Schedule Proposal amount was not required. This is a Cost Plus Fixed Fee (CPFF) Task Order Contract with no definable level of effort for the Scope of Work. Hourly labor rates, overhead and fee were negotiated for the contract and determined to be fair and reasonable. Individual future Scopes of Work will be issued on a Task Order basis and executed separately as the work is defined.
- (2) FY23 NTE amount identified by the estimated level of effort NTE for the period starting from July 1, 2022, thru June 30, 2023. FY24 NTE amount identified by the estimate level of effort NTE for the period starting from July 1, 2023, thru June 30, 2024.
- (3) The recommended NTE amount \$14,050,000 and \$14,800,000 (amounts are rounded) is for FY23 –FY24 period (year five and six of the contract base period), respectively. Future work will be funded according to an Annual Work Program, on a two-year basis. The total contract amount will be the aggregate value of all task orders issued to the SESS Consultant through the term of the contract.

ATTACHMENT B

PROPOSED TASK ORDER WORK

SYSTEMS ENGINEERING SUPPORT SERVICES / CONTRACT NO. AE47810E0128

| Mod./Task Order (TO) No. | Description | Status (Approved or Pending) | Date | Task Order Issued Including Mods | Adjustments Pending TO Close-Out¹ | TO Mods in Approval (Current FY)² |
|--|--|-------------------------------------|----------------|---|---|---|
| N/A | Initial Authorized NTE Funding \$28,932,000 | Approved | 4/26/18 | --- | --- | --- |
| E0128-TO-016 | Board of Directors Authorized NTE \$15,000,000 for TO-016 ROC/BOC | Approved | 2/27/20 | --- | --- | --- |
| N/A | Board of Directors Authorized NTE \$22,500,000 for FY 2021 | Approved | 5/28/20 | --- | --- | --- |
| Approved Task Orders and Task Order Modifications | | | | | | |
| E0128-TO-001 | Systems Engineering Support for Crenshaw Project | Approved | 7/9/18 | \$12,750,453.40 | \$(31,227) | --- |
| E0128-TO-002 | Program-wide System Engineering Support Services for Systems Engineering Group | Approved | 7/27/18 | \$5,378,505.43 | \$(42,512.65) | --- |
| E0128-TO-003 | Overhead Contact Systems (OCS) Support for Maintenance of Wayside Engineering | Approved | 9/11/18 | \$309,751.25 | \$(69,847.00) | --- |
| E0128-TO-004 | System-wide Electrical Support for Rail and Bus Projects | Approved | 9/11/18 | \$145,244.00 | \$(11,261.00) | --- |

| | | | | | | |
|--------------|---|----------|----------|----------------|---------------|-----|
| E0128-TO-005 | Crenshaw Project Design Services During Construction | Approved | 9/12/18 | \$161,992.00 | \$(95,532.00) | --- |
| E0128-TO-006 | Rail Systems Engineering Support for New Blue | Approved | 10/3/18 | \$4,363,632.71 | --- | --- |
| E0128-TO-007 | West Santa Ana Branch Systems Support | Approved | 10/1/18 | \$120,666.74 | \$(41,121.00) | --- |
| E0128-TO-008 | System-wide Operations and Maintenance Plan | Approved | 10/10/18 | \$798,543.25 | \$(77,672.00) | --- |
| E0128-TO-009 | Division 20 Portal Widening Turnback Project Systems Engineering Support | Approved | 10/30/18 | \$5,206,424.35 | \$(40,017.00) | --- |
| E0128-TO-010 | West Santa Ana Branch (WSAB) Project Conceptual Engineering | Approved | 11/16/18 | \$2,889,788.57 | --- | --- |
| E0128-TO-011 | East San Fernando Valley (ESFV) Conceptual Engineering | Approved | 12/3/18 | \$6,454,397.55 | \$(58,686) | --- |
| E0128-TO-012 | Metro Blue Line Track and OCS Refurbishment | Approved | 3/21/19 | \$1,545,041.54 | \$(16,196.22) | --- |
| E0128-TO-013 | Metro Systems Support for Green Line/Crenshaw Operations | Approved | 4/10/19 | \$262,675.00 | \$(13,605.14) | --- |
| E0128-TO-014 | Metro Red/Purple Line and Regional Connector Operational Simulation Support | Approved | 4/25/19 | \$770,059.00 | \$(15,763.15) | --- |
| E0128-TO-015 | Airport Metro Connector Engineering Support | Approved | 9/12/19 | \$1,259,804.00 | --- | --- |

| | | | | | | |
|--------------|--|----------|----------|----------------|-----|-----|
| E0128-TO-016 | Rail Operations Center (ROC) / Bus Operations Center (BOC) Architectural and Engineering Systems Design Services | Approved | 4/9/20 | \$46,957.87 | --- | --- |
| E0128-TO-017 | Centinela Grade Separation Conceptual Engineering | Approved | 11/4/19 | \$1,671,189.00 | --- | --- |
| E0128-TO-018 | Metro Gold Line Foothills 2B Extension Systems Engineering Support | Approved | 4/16/20 | \$545,479.00 | --- | --- |
| E0128-TO-019 | Metro Gold Line Eastside Phase 2 Conceptual Engineering | Approved | 4/24/20 | \$427,963.00 | --- | --- |
| E0128-TO-021 | Systems Engineering DSDC Support for Purple Line Extension Sec. 1 | Approved | 1/29/20 | \$1,869,152.00 | --- | --- |
| E0128-TO-022 | Systems Engineering DSDC Support for Regional Connector Project | Approved | 4/24/20 | \$1,391,886.00 | --- | --- |
| E0128-TO-023 | Metro C Line (Formerly Green Line) Extension to Torrance Conceptual Engineering | Approved | 12/08/20 | \$325,586.00 | --- | --- |
| E0128-TO-024 | Purple Line Extension Section 3 Systems Engineering Support Services | Approved | 12/29/20 | \$524,716.00 | --- | --- |

| | | | | | | |
|--|---|----------|----------|--------------|-----|----------|
| E0128-TO-025 | Systems Engineering Design Services During Construction Support for Metro Center Project - FY21 Level of Effort | Approved | 3/18/21 | \$244,387.00 | --- | \$87,405 |
| E0128-TO-026 | Purple Line Extension Section 2 Systems Engineering Support Services | Approved | 9/17/21 | \$375,249.00 | --- | --- |
| E0128-TO-027 | Metro G Line (formerly Orange Line) Systems Engineering Support | Approved | 7/20/21 | \$206,573.00 | --- | --- |
| Approved Contract Modifications | | | | | | |
| EO128-00-MOD-00001 | Update to Advanced Cost Agreement (LTK, DE, GF and IC) | Approved | 9/6/18 | \$0.00 | --- | --- |
| EO128-00-MOD-00002 | Updates to Advanced Cost Agreement (Home Office Rates 2019: Atkins, FN, GF, IEI, ICI, RCS) | Approved | 12/14/18 | \$0.00 | --- | --- |
| EO128-00-MOD-00003 | Revise Spec. Section CP-04 Payment & Invoicing Part C.1 - Invoicing | Approved | 1/11/19 | \$0.00 | --- | --- |
| EO128-00-MOD-00004 | Direct Hourly Labor Rates Adjusted for 2019 | Approved | 2/6/19 | \$0.00 | --- | --- |
| EO128-00-MOD-00005 | Updates to Contract: Form of Contract, ACA Rates, Add/Delete Subconsultants and | Approved | 4/20/21 | \$0.00 | --- | --- |

| | | | | | | |
|--|---|----------|---------|------------------------|--------------------|------------------------|
| | Corrections | | | | | |
| EO128-00-MOD-00006 | Updates to Contract: Form of Contract, ACA Rates, New Positions and Delete Subconsultant FNC | Approved | 3/14/22 | \$0.00 | --- | --- |
| | Subtotal Approved TOs and Contract Mods | | | \$50,046,116.65 | | |
| Pending Task Orders and Task Order Mods | | | | | | |
| TBD | Future Anticipated Task Orders for FY22 | Pending | TBD | --- | --- | \$1,899,323.35 |
| TBD | Future Anticipated Task Orders for FY23 and FY24 | Pending | TBD | --- | --- | \$28,850,000 |
| | Subtotal Pending TOs and TO Mods | | | | | \$30,749,323.35 |
| | Task Orders Approved | --- | --- | \$50,046,116.65 | --- | --- |
| | Adjustments Pending TO Close-Out | --- | --- | --- | (\$513,440) | |
| | Pending TOs and TO Mods | --- | --- | --- | --- | \$30,749,323.35 |
| | Future Anticipated Task Orders for FY23 and FY24 | --- | --- | --- | --- | \$28,850,000 |
| | Total Contract NTE Amount Plus Funding Needed for Future Anticipated Task Orders for FY23 and FY24 | --- | --- | --- | --- | \$95,282,000 |

NOTES:

¹ Task Orders and Task Order Modifications will be closed-out and unused Not-To-Exceed (NTE) authorized amount will be credited back to the Project. The Authorized NTE for the Task Order will be adjusted to actuals expended.

² Task Orders and Task Order Modifications with Cost Schedule Price (CSP) received and pending approval for FY 2022.

| BOARD ACTIONS | |
|--|------------------------|
| Board Approved Funding – Current Contract Value | \$66,432,000.00 |
| This Board Action | \$28,850,000 |
| New Contract Value | \$95,282,000 |

DEOD SUMMARY

SYSTEMS ENGINEERING SUPPORT SERVICES/AE47810E0128

A. Small Business Participation

SECOTrans, a Joint Venture of LTK Engineering Services and three (3) DBE Joint Venture (JV) partners, NBA Engineering, Inc., Pacific Railway Enterprises, Inc., and Ramos Consulting Services, Inc. made a 15% DBE overall commitment for this contract. The overall DBE participation is based on the cumulative value of all task orders issued.

To date, twenty-six (26) task orders have been awarded. Based on payments reported, the contract is 78% complete and the cumulative DBE participation of all task orders awarded is 27.73%. SECOTrans is exceeding their DBE commitment by 12.73%.

SECOTrans acknowledges that four (4) DBE firms listed on the team have not been utilized and contends that task orders issued to-date have not contained the scope of work to be provided by those DBE firms. SECOTrans remains committed to utilize all the DBE firms listed on the team, as Metro issues new task orders that include their scopes of work.

Notwithstanding, Metro Project Managers and Contract Administrators will work in conjunction with DEOD to ensure that SECOTrans (JV) remains on schedule to meet or exceed its DBE commitment.

| | | | |
|----------------------------------|----------------|-------------------------------------|-------------------|
| Small Business Commitment | 15% DBE | Small Business Participation | 27.73% DBE |
|----------------------------------|----------------|-------------------------------------|-------------------|

| | DBE Contractors | Ethnicity | Current Participation |
|----|--|-----------------------------|------------------------------|
| 1. | NBA Engineering, Inc. (JV Partner / DBE Prime) | Caucasian Female | 5.17% |
| 2. | Pacific Railway Enterprises, Inc. (JV Partner / DBE Prime) | Caucasian Female | 1.42% |
| 3. | Ramos Consulting Services (JV Partner / DBE Prime) | Hispanic American | 8.70% |
| 4. | Arakelyan Drafting Services, Inc. | Caucasian Female | 0.00% |
| 5. | Destination Enterprises, Inc. | Caucasian Female | 3.57% |
| 6. | Enabled Enterprises LLC | Asian-Pacific American | 0.00% |
| 7. | Fariba Nation Consulting (Substituted) | Caucasian Female | 0.80% |
| 8. | Intueor Consulting, Inc. | Subcontinent Asian American | 2.68% |

| | | | |
|----------------------------|---|--------------------------------|---------------|
| 9. | PK Electrical Inc. | Caucasian Female | 0.00% |
| 10. | ROMAR7 LLC | Asian-Pacific American | 0.00% |
| 11. | Triunity Engineering and Management, Inc. | Black American | 5.39% |
| 12. | Birdi Systems, Inc. | Subcontinent Asian American | 0.00% |
| Total Participation | | | 27.73% |

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.

**Board Report**

File #: 2022-0331, **File Type:** Motion / Motion Response**Agenda Number:** 35.

**CONSTRUCTION COMMITTEE
JUNE 16, 2022****SUBJECT: 3% CONTRIBUTION MOTION RESPONSE****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE a report on the approach to the 3% local contribution per Board Motion 35 (Attachment A).

ISSUE

This Receive and File report responds to Motion 35 authored by Directors Hahn, Garcetti, Butts, and Dutra titled 3% Contribution, which directed staff to report back on the motion to the Construction Committee in June 2022.

BACKGROUND

The Measure M Ordinance (Ordinance) requires that local jurisdictions pay three percent (3%) of the total project cost of new major rail projects. Under Measure R, the expenditure plan also assumed a 3% contribution from jurisdictions. Metro has implemented several 3% local contribution agreements under Measures R and M prior to adopting the Measure M Guidelines (Guidelines). Before staff proceeds with negotiating and entering into new 3% contribution agreements, the Board, through Motion 35, directed staff to clarify and modify elements of the 3% local contribution approach, prepare a fact sheet (Attachment B) and report back on these items to the Construction Committee.

DISCUSSION

Through Motion 35, the Board requested that Staff revise the Guidelines, confirm several aspects of the calculation, and clarify and provide additional flexibility on sources available to jurisdictions to satisfy the 3% contribution.

Staff will revise the Guidelines in response to direction from Motion 35 and a legal opinion received in November 2021. These revisions will reflect a change in the cost allocation approach, the exclusion from the total project cost the First/Last Mile (FLM) expenses incurred by jurisdictions, and the availability of FLM credit to situations when Metro is withholding local return funds in alignment with the Board direction in Motion 35. Staff has begun making these changes [Directive A] and intends to

request Board approval of the revisions in January 2023 following the mandatory public comment period. Revising the Guidelines will follow a standard approach (e.g. 2021-0291) for revising Board approved guidelines, including internal and legal reviews and Board approval to release draft revisions for a 60-day public comment period. Staff is able to implement the direction from Motion 35 immediately, while the Guidelines revisions will formalize the changes in approach to the 3% contribution.

One of the factors required to calculate the contribution is the project cost basis. The Ordinance requires that Metro use the “total project cost determined at the conclusion of 30% design.” This cost typically includes all project elements that result in a Metro financial liability, including some improvements directed or delivered by jurisdictions. Such improvements that are included in the project scope and cost estimate at 30% design constitute some of the 3% contribution cost basis in accordance with the Guidelines. Of these locally directed elements, the current Board direction [Directive C] seeks to specifically exclude from the 3% contribution cost basis any expenses incurred by a jurisdiction toward FLM improvements. Assuming a preliminary FLM portfolio value of \$500M to \$1B, excluding these costs would result in a \$15M to \$30M funding gap for Metro. As directed, Staff will proceed with a calculation approach with a “total project cost” that does not include jurisdiction provided FLM costs and will seek from the Board additional authority as needed to address any funding gaps. This direction also necessitates a minor revision to the Board adopted FLM Guidelines, which will be brought to the Board when ready.

The Board also seeks clarification on how the 3% contribution will be distributed among jurisdictions along a project alignment [Directive D]. Per the Ordinance, the local contribution will be “based upon the percent of project total centerline track miles to be constructed within that jurisdiction’s borders if one or more stations are to be constructed within the borders of said jurisdiction.” The Guidelines supplemented this distribution method by also requiring Metro to factor in the “station area” (a one-half mile radius around a station) contained within a jurisdiction. Per the legal opinion noted above, Metro will ensure consistency with the Ordinance by excluding station area from the allocation formula and utilizing only centerline track miles, and only for jurisdictions where a station is to be constructed (i.e., construction of station elements such as platforms, parking, passenger circulation). Since only project segments with station construction trigger a 3% contribution, jurisdictions along a corridor that do not include a station (regardless of the presence of track miles) will not be subject to the 3% contribution requirement. In addition, jurisdictions are only subject to a 3% contribution when construction is to take place within their borders for a specific Board approved project segment or phase. Future phases along a larger transit corridor will not trigger a new 3% contribution.

Finally, the Board requested clarification on sources available to jurisdictions to satisfy the 3% contribution and directed Staff to provide additional incentives for jurisdictions to implement FLM improvements. In general, Metro will consider any contributions that add value to the transit project, including those that reduce risk. Note that, per the Guidelines, in-kind contributions, including subregional investments, may count toward a project’s total 3% contribution if those “costs are specifically included in the project cost and contribution amount by the conclusion of thirty percent (30%) of final design” [Directive E]. (As noted above, FLM improvements are not required to be included in the cost estimate at 30% design.) To further incentivize FLM improvements, Motion 35 directs Metro, for jurisdictions subject to 15-year local return withholding, to credit qualifying FLM investments toward the jurisdiction’s withheld funds [Directive B]. This direction authorizes Metro to

allow and enter into an agreement with a jurisdiction to establish the 15-years' worth of local return as the jurisdiction's total liability for the 3% contribution and then identify creditable FLM projects in accordance with the FLM Guidelines. Financially, if all eligible jurisdictions opt for the 15-year local return option, the resulting funding gap would be at least \$30M. The FLM credit provision in this motion further reduces Metro's ability to close this funding gap to the extent jurisdictions opt to utilize it.

Metro is able to implement the direction per this Motion immediately without further Board action at this time. To formalize the changes in the approach to the 3% local contribution Staff will return to the Board for approval to release draft revised Guidelines and subsequent approval of final Guidelines. In addition, future Board action may be required to address funding gaps identified above.

For each of the directives below (in capital lettered bullets) Metro plans to take steps (in lowercase bullets) to address the motion.

- A. Revise the Measure M Guidelines 3% Contribution calculation to be consistent with the Measure M Ordinance;
 - a. Staff is currently revising the Measure M Guidelines and will present the proposed changes for Board consideration when available.
- B. In cases where Metro withholds 15 years of Measure M Local Return, clarify that Metro will allow withheld funds to satisfy the 3% contribution via an agreement with the jurisdiction, that jurisdictions may spend withheld funds on First-Last Mile investments, and that those expenses shall be eligible to credit toward a jurisdiction's 15-year total Measure M Local Return obligation in accordance with established Metro procedures, such as the First-Last Mile Guidelines and Measure M Guidelines;
 - a. While Metro will seek a full 3% contribution from each applicable jurisdiction, where a jurisdiction is unable to meet that obligation Metro will seek an agreement establishing the 15-year Measure M withholding and any creditable FLM expenses by the jurisdiction, noting that terms of the FLM Guidelines apply.
- C. Confirm that the cost of First-Last Mile improvements delivered by local jurisdictions shall not be included in the "total project cost" from which Metro calculates the 3% Contribution;
 - a. The "total project cost" basis for the 3% contribution will exclude the costs of FLM improvements that jurisdictions implement in accordance with Measure M, FLM, and other applicable Board approved guidelines. Staff will prepare a revision to the FLM Guidelines to reflect this direction.
- D. Consistent with precedent from the Purple Line Extension, confirm that jurisdictions along segments of a larger transit corridor will incur a 3% Contribution obligation only for project segments that include station construction within their jurisdiction; and,
 - a. Metro confirms that per the Ordinance only jurisdictions whose borders contain a station (i.e. construction of station elements such as platforms, parking, passenger circulation) will be required to make a local contribution to the project. Jurisdictions are only subject to a 3% contribution when construction is to take place within their borders for a specific Board approved project segment or phase.
- E. Reaffirm that in-kind contributions and subregional investments that support a Metro transit corridor may count toward a project's total 3% Contribution under existing provisions of the Measure M Guidelines.

- a. Metro reaffirms that we will consider any contributions that add value to the transit project, including in-kind subregional investments, where, per the Measure M Guidelines, those “costs are specifically included in the project cost and contribution amount by the conclusion of thirty percent (30%) of final design.”

EQUITY PLATFORM

The 3% local contribution is one of the financial resources supporting Metro’s major rail transit projects program in the Measure M Expenditure Plan. These projects will benefit communities through the addition of new high-quality reliable transit service, many of which will increase mobility, connectivity, and access to opportunities for the historically underserved and transit-dependent communities. Metro will continue to conduct outreach and provide technical assistance on the 3% contribution requirement to affected jurisdictions as we proceed with project planning. Staff will also conduct further analysis on how each project might impact equity and Equity Focused Communities. These analyses will be included in future Board items (e.g. notifying the Board of the 3% contribution amount by jurisdiction based on 30% design) on a project-by-project basis.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Project supports the following strategic plan goals identified in Vision 2028: Goal 1: Provide high-quality mobility options that enable people to spend less time traveling, Goal 3: Enhance communities and lives through mobility and access to opportunity and Goal 5: Provide responsive, accountable, and trustworthy governance within the Metro organization.

NEXT STEPS

Staff will continue making progress on the direction included in the subject motion and will return to the Board for consideration of revisions to the Measure M Guidelines.

ATTACHMENTS

Attachment A - Board Motion 35

Attachment B - 3% Local Contribution Fact Sheet

Prepared by: Adam Stephenson, Senior Director, Countywide Planning & Development, (213) 922-2991

Fanny Pan, DEO, Countywide Planning & Development, (213) 418-3433

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Laurie Lombardi, SEO, Countywide Planning & Development, (213) 418-3251

Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920



Stephanie N. Wiggins
Chief Executive Officer



Metro

Board Report

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2022-0258, **File Type:** Motion / Motion Response

Agenda Number: 35.

CONSTRUCTION COMMITTEE APRIL 21, 2022

Motion by:

DIRECTORS HAHN, GARCETTI, BUTTS, AND DUTRA

3% Contribution Motion

The Measure M ordinance requires local jurisdictions to pay three percent (3%) of the total project cost of a major Measure M rail project. According to Section 7.f of the Measure M ordinance, each jurisdiction's obligation is calculated "based upon the percent of project total centerline track miles to be constructed within that jurisdiction's borders if one or more stations are to be constructed within the borders of said jurisdiction." This requirement is generally referred to as the "3% Contribution."

Clarifications are necessary to ensure that local jurisdictions fully understand their 3% Contribution calculation and that Metro fully incentivizes local jurisdictions to make First-Last Mile improvements that will benefit Metro projects and increase transit ridership, consistent with Board policy.

First, the Measure M Guidelines (Board File 2017-0280) differ from the Measure M ordinance on how Metro calculates the 3% Contribution. While the Measure M ordinance applies the 3% Contribution only to local jurisdictions where a new station is to be constructed, the Measure M Guidelines extend this obligation to all local jurisdictions within a half-mile of a new station. To ensure clarity, Metro should revise the Measure M Guidelines to be consistent with the Measure M ordinance.

Additionally, not all jurisdictions are presently incentivized to make First-Last Mile investments. Existing Metro Board policy (Board Files 2016-0451 and 2020-0365) seeks to incentivize local jurisdictions to make First-Last Mile investments by allowing the value of those investments to count toward all of a jurisdiction's 3% Contribution obligation. However, as detailed below, this incentive is currently not available to all jurisdictions.

In cases where a jurisdiction's 3% Contribution exceeds 15 years of their Measure M Local Return, per the Measure M ordinance Metro may withhold their Measure M Local Return for up to 15 years. To preserve these jurisdictions' incentive to deliver First-Last Mile investments, Metro should allow withheld funds to satisfy the 3% contribution via an agreement with the jurisdiction such that the value of First-Last Mile investments delivered by that jurisdiction count against their up-to 15-year Measure M Local Return withholding, so long as those investments are consistent with established Metro procedures (such as the First-Last Mile Guidelines). This will ensure First-Last Mile incentives are fully available to all jurisdictions.

Further, to ensure that local jurisdictions are not over-charged for their 3% Contribution, the Board should clarify that a transit corridor's "total project cost" (calculated at 30% design to determine a jurisdiction's 3% Contribution) should refer only to the transit project and related elements delivered by Metro itself. First-Last Mile improvements delivered by local jurisdictions should not be included in the "total project cost" from which Metro calculates a jurisdiction's 3% Contribution.

Finally, the Measure M Guidelines provide that a transit corridor's total 3% Contribution may be met through in-kind contributions or "other arrangements agreed upon by every local jurisdiction in a project corridor." The Board should reaffirm that subregional investments that support a Metro transit corridor should be eligible to count toward a project's total 3% Contribution under this provision.

Following determination of the "total project cost" at 30% design, the manner in which a local jurisdiction shall fulfill its 3% obligation should be generally understood by the time a Metro project reaches construction contract award, pending final agreement between Metro and that jurisdiction.

SUBJECT: 3% CONTRIBUTION MOTION

RECOMMENDATION

APPROVE Motion by Directors Hahn, Garcetti, Butts, and Dutra that the Board direct the CEO to update the Measure M Guidelines and First-Last Mile Guidelines in accordance with the following:

- A. Revise the Measure M Guidelines 3% Contribution calculation to be consistent with the Measure M ordinance;
- B. In cases where Metro withholds 15 years of Measure M Local Return, clarify that Metro will allow withheld funds to satisfy the 3% contribution via an agreement with the jurisdiction, that jurisdictions may spend withheld funds on First-Last Mile investments, and that those expenses shall be eligible to credit toward a jurisdiction's 15-year total Measure M Local Return obligation in accordance with established Metro procedures, such as the First-Last Mile Guidelines and Measure M Guidelines;
- C. Confirm that the cost of First-Last Mile improvements delivered by local jurisdictions shall not be included in the "total project cost" from which Metro calculates the 3% Contribution;
- D. Consistent with precedent from the Purple Line Extension, confirm that jurisdictions along segments of a larger transit corridor will incur a 3% Contribution obligation only for project segments that include station construction within their jurisdiction; and,
- E. Reaffirm that in-kind contributions and subregional investments that support a Metro transit corridor may count toward a project's total 3% Contribution under existing provisions of the Measure M Guidelines.

WE FURTHER MOVE that the Board direct the CEO to report back on all the above to the Construction Committee in June 2022.

Metro 3% Local Contribution

Metro Project Financing

Metro projects require significant financial support, and a key resource for new rail corridors relies on contributions from jurisdictions along the projects. **Per the Measure M Ordinance, 3% of the cost of each new rail project shall be paid by jurisdictions based upon the percent of track miles within a jurisdiction's borders, if a station is to be constructed within that jurisdiction.** This is known as the 3% local contribution.

In the early stages of project development Metro will conduct outreach to jurisdictions that may have a 3% local contribution obligation. Once a project reaches the 30% design level, Metro will calculate the local contribution and initiate negotiations with each applicable jurisdiction toward a 3% local contribution agreement. This agreement will establish the local contribution amount, specific financial and in-kind sources the jurisdiction intends to use, and timeframes necessary to support Metro project development.

Contact Information

MMguidelines@metro.net

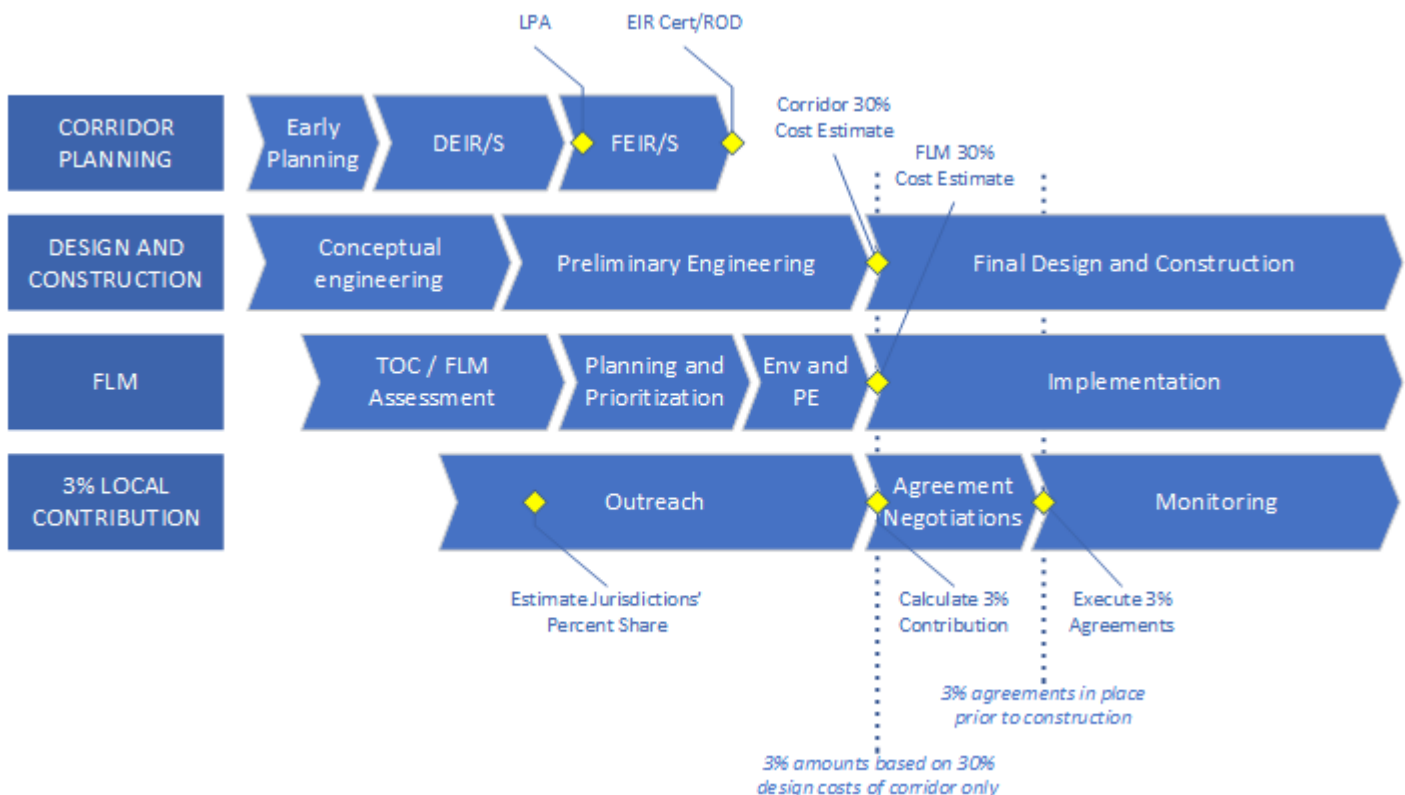
Resources

Available on Metro website:

- Measure M Guidelines
- First-Last Mile Guidelines
- Metro: How We Plan and Build
- Metro: Projects

Technical Assistance: Upon request

Integrating the 3% Local Contribution and Project Development*



*The diagram shows a typical design-build process. Other project delivery methods may realign some activities.

How is it calculated? Metro will first establish the cost basis for the local contribution by estimating the transit project cost based on 30% design. 3% of that cost basis will be the overall local contribution. Metro will then identify project segments that cross through jurisdictions where no station is to be constructed and subtract these from the overall project length. The overall 3% local contribution will then be allocated to jurisdictions where stations are to be constructed based upon the percent of adjusted centerline track miles within the jurisdiction's borders.

If a jurisdiction is unable to satisfy the full 3% contribution, Metro may withhold Measure M local return funds until the obligation is met, or up to 15 years.

What sources are eligible to pay it? Jurisdictions may use any locally controlled funds (except those received from a Metro competitive grant process). They may also receive credit for the value of in-kind contributions to the project (e.g. right-of-way) if those costs are specifically included in the project cost and contribution amount by 30% design. Additionally, jurisdictions may receive credit for qualifying First-Last Mile improvements contained in a Metro Board adopted FLM Plan.

In cases where Metro is withholding local return funds, a jurisdiction may still receive credit for qualifying FLM improvements.

When is the repayment deadline? While the 3% contribution agreement will stipulate specific timeframes on a project-by-project basis, generally a jurisdiction should satisfy all financial obligations by the midpoint project construction. In-kind contributions and FLM improvements must generally be complete by the time the project is open for revenue service.

In cases where Metro is withholding local return funds, Metro will begin withholding approximately the same year as construction is authorized in the applicable jurisdiction.

A large, stylized letter 'M' is positioned in the upper right quadrant of the slide. The 'M' is composed of several white, rectangular blocks with a slightly textured surface, arranged to form the letter. The background behind the 'M' is a dark green circular area, which is itself set against a larger orange circular area that curves across the middle of the slide. The overall design is modern and graphic.

Measure M

3% Local Contribution

Board Staff Briefing in Advance of Construction Committee



Metro

June 9, 2022

Overview

- Building on Meas. R, Meas. M includes a 3% Local Contribution in the Expenditure Plan Financial Model, as well as in Ordinance
- The contribution is based on the total project cost at the completion of 30% of final design, excluding FLM costs.

Los Angeles County Transportation Expenditure Plan

(2015 \$ in thousands)

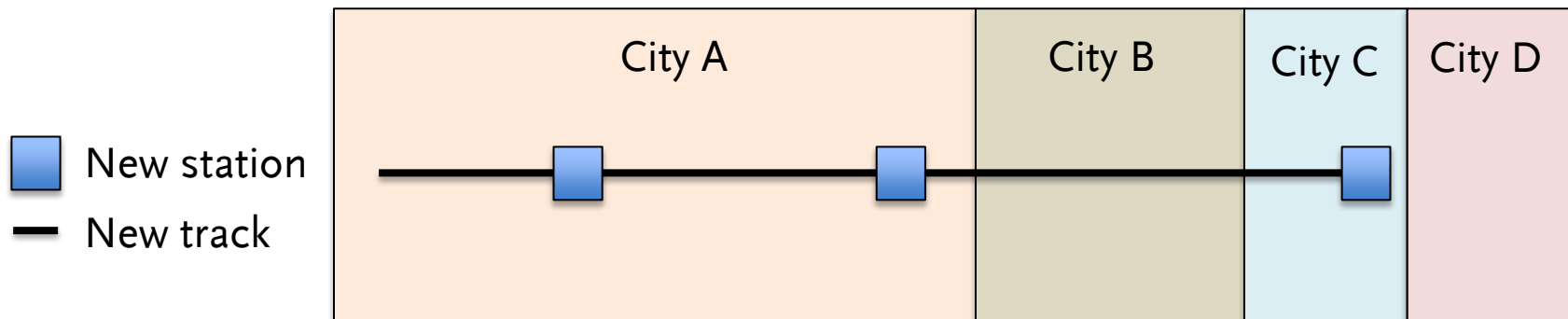
ATTACHMENT A Groundbreaking Sequence (Exceptions Noted)

| For Reference Only | Project (Final Project to be Defined by the Environmental Process) | Notes | Schedule of Funds Available | | Subregion* | 2016 - 2067 Local, State, Federal, Other Funding 2015\$ | Measure M Funding 2015\$ | Most Recent Cost Estimate 2015\$** | Modal Code | |
|--|---|-------|--|--|------------|--|--------------------------------|---|------------|-----------------------------|
| | | | Ground- breaking Start Date ¹ | Expected Opening Date (3 year range) | | | | | | 1 st yr of Range |
| | | | | | | | | | | |
| Expenditure Plan Major Projects | | | | | | | | | | |
| 1 | Airport Metro Connect 90th St. Station/Green Line Ext LAX | a,p | FY 2018 | CY 2021 | sc | \$233,984 | \$347,018 | \$581,000 | T | |
| 2 | Westside Purple Line Extension Section 3 | b | FY 2018 | FY 2024 | w | \$988,139 | \$904,251 | \$1,980,390 | T | |
| 3 | High Desert Multi-Purpose Corridor (HDMC) | a | FY 2019 | FY 2021 | nc | \$100,000 | \$170,000 | \$270,000 | H | |
| 4 | I-5 N Cap. Enhancements (SR-14 to Lake Hughes Rd) | a | FY 2019 | FY 2023 | nc | \$544,080 | \$240,000 | \$784,080 | H | |
| 5 | Gold Line Foothill Extension to Claremont | c | FY 2019 | FY 2025 | sg | \$78,000 | \$1,019,000 | \$1,097,000 | T | |
| 6 | Orange Line BRT Improvements | n | FY 2019 | FY 2025 | sf | \$0 | \$288,000 | \$288,000 | T | |
| 7 | BRT Connector Orange/Red Line to Gold Line | o | FY 2020 | FY 2022 | av | \$0 | \$240,300 | \$240,300 | T | |
| 8 | BRT Connector Orange/Red Line to Gold Line | o | FY 2020 | FY 2022 | sf | \$0 | \$26,700 | \$26,700 | T | |
| 9 | East SF Valley Transit Corridor Project | d | FY 2021 | FY 2027 | sf | \$520,500 | \$810,500 | \$1,331,000 | T | |
| 10 | West Santa Ana Transit Corridor LRT | b,d | FY 2022 | FY 2028 | gc | \$500,000 | \$535,000 | \$1,035,000 | T | |
| 11 | Crenshaw/LAX Track Enhancement Project | e,p | FY 2022 | FY 2028 | sc | \$0 | \$49,599 | \$49,599 | T | |
| 12 | SR-71 Gap from I-10 to Rio Rancho Rd. | e | FY 2022 | FY 2028 | sg | \$28,443 | \$248,557 | \$275,000 | H | |
| 13 | LA River Waterway & System Bikepath | e | FY 2023 | FY 2025 | cc | \$0 | \$365,000 | \$365,000 | H | |
| 14 | Complete LA River Bikepath | e | FY 2023 | FY 2025 | sf | \$0 | \$60,000 | \$60,000 | H | |
| 15 | Sepulveda Pass Transit Corridor (Ph 1) | b,f | FY 2024 | FY 2028 | sf | \$0 | \$130,000 | \$130,000 | H | |
| 16 | Sepulveda Pass Transit Corridor (Ph 1) | b,f | FY 2024 | FY 2028 | w | \$0 | \$130,000 | \$130,000 | H | |
| 17 | Vermont Transit Corridor | o | FY 2024 | FY 2028 | cc | \$400,000 | \$25,000 | \$425,000 | T | |
| 18 | SR-57/SR-60 Interchange Improvements | d | FY 2025 | FY 2031 | sg | \$565,000 | \$205,000 | \$770,000 | H | |
| 19 | Green Line Extension to Crenshaw Blvd in Torrance | d,g | FY 2028 | FY 2030 | sb | \$272,000 | \$819,000 | \$891,000 | H | |
| 20 | I-710 South Corridor Project (Ph 1) | d,h | FY 2028 | FY 2032 | gc | \$150,000 | \$250,000 | \$400,000 | H | |
| 21 | I-105 Express Lane from I-405 to I-805 | p | FY 2027 | FY 2029 | sc | \$0 | \$175,000 | \$175,000 | H | |
| 22 | Sepulveda Pass Transit Corridor (Ph 2) | b | FY 2024 | FY 2033 | sf | \$1,567,000 | \$1,270,000 | \$2,837,000 | T | |
| 23 | Sepulveda Pass Transit Corridor (Ph 2) | b | FY 2024 | FY 2033 | w | \$1,567,000 | \$1,270,000 | \$2,837,000 | T | |
| 24 | Gold Line Eastside Extension (One Alignment) | d | FY 2029 | FY 2035 | gc | \$957,000 | \$543,000 | \$1,500,000 | T | |
| 25 | Gold Line Eastside Extension (One Alignment) | d | FY 2029 | FY 2035 | sg | \$957,000 | \$543,000 | \$1,500,000 | T | |
| 26 | West Santa Ana Transit Corridor LRT | r | FY 2022 | FY 2041 | cc | \$1,082,500 | \$400,000 | \$1,482,500 | T | |
| 27 | West Santa Ana Transit Corridor LRT | r | FY 2022 | FY 2041 | gc | \$982,500 | \$500,000 | \$1,482,500 | T | |
| 28 | I-710 South Corridor Project (Ph 2) | d | FY 2032 | FY 2041 | gc | \$858,500 | \$250,000 | \$908,500 | H | |
| 29 | I-5 Corridor Improvements (I-805 to I-710) | i | FY 2036 | FY 2042 | gc | \$46,000 | \$1,059,000 | \$1,105,000 | H | |
| 30 | Crenshaw Northern Extension | i | FY 2041 | FY 2047 | cc | \$495,000 | \$1,185,000 | \$1,880,000 | T | |
| 31 | Crenshaw Northern Extension | i | FY 2041 | FY 2047 | w | \$0 | \$560,000 | \$560,000 | T | |
| 32 | I-405/I-110 Int. HOV Connect Ramps & Intrchg Improv | i | FY 2042 | FY 2044 | sb | \$0 | \$250,000 | \$250,000 | H | |
| 33 | I-805/I-10 Interchange | i | FY 2043 | FY 2047 | sg | \$472,400 | \$126,000 | \$598,400 | H | |
| 34 | SR 60/I-605 Interchange HOV Direct Connectors | i | FY 2043 | FY 2047 | sg | \$380,600 | \$130,000 | \$490,600 | H | |
| 35 | Lincoln Blvd BRT | lo | FY 2043 | FY 2047 | w | \$0 | \$102,000 | \$102,000 | T | |
| 36 | I-110 Express Lane Ext South to I-405/I-110 Interchange | lo | FY 2044 | FY 2046 | sb | \$228,500 | \$51,500 | \$280,000 | H | |
| 37 | I-405 South Bay Curve Improvements | lo | FY 2045 | FY 2047 | sb | \$250,840 | \$150,000 | \$400,840 | H | |
| 38 | Green Line Eastern Extension (Norwalk) | p | FY 2048 | FY 2052 | sc | \$570,000 | \$200,000 | \$770,000 | T | |
| 39 | SF Valley Transportation Improvements | m | FY 2048 | FY 2050 | sf | \$0 | \$106,800 | \$106,800 | T | |
| 40 | Sepulveda Pass Westwood to LAX (Ph 3) | p | FY 2048 | FY 2057 | sc | \$3,800,000 | \$65,000 | \$3,865,000 | T | |
| 41 | Orange Line Conversion to Light Rail | p | FY 2051 | FY 2057 | sf | \$1,087,000 | \$362,000 | \$1,429,000 | T | |
| 42 | City of San Fernando Bike Master Plan | p | FY 2052 | FY 2054 | sf | \$0 | \$5,000 | \$5,000 | H | |
| 43 | Historic Downtown Streetcar | p | FY 2053 | FY 2057 | cc | \$0 | \$200,000 | \$200,000 | T | |
| 44 | Gold Line Eastside Ext. Second Alignment | p | FY 2053 | FY 2057 | sc | \$110,000 | \$2,890,000 | \$3,000,000 | T | |
| 45 | High Desert Multi-Purpose Corridor - LA County Segment | p | FY 2063 | FY 2067 | sc | \$32,982 | \$1,845,718 | \$1,878,700 | H | |
| 46 | Expenditure Plan Major Projects Subtotal | | | | | \$19,581,027 | \$20,989,941 | \$40,570,969 | | |

Footnotes on following page.

Calculation

A jurisdiction's 3% contribution is based on the percentage of **track miles** within the jurisdiction's borders, only for jurisdictions that include station construction (i.e. only cities A and C below).



Contribution Sources

Eligible Contributions

- Funds controlled by the local agency (e.g., General Fund, State Gas Tax Subventions, Prop. A, Prop. C and Measure R and M Local Return Funds, Measure M Subregional Program Funds)
- In-kind contributions including project specific right-of-way, waiver of permitting fees, local agency staff time (incurred and forecast), if those costs are specifically included in the project cost and contribution amount by the conclusion of thirty percent (30%) of final design.
- Active transportation first/last mile capital improvements included as “Priority Projects” in the station area plans developed by Metro in coordination with the affected jurisdiction(s).
- Betterments are NOT eligible

The Process

1. Metro conducts outreach with jurisdictions likely to owe a local contribution
2. Metro calculates 3% contribution by jurisdiction based on 30% design cost estimate
3. Metro notifies jurisdictions of 3% contribution
4. Metro Board acknowledges 30% design cost estimate and associated 3% local contribution amounts
5. Metro and jurisdiction negotiate a 3% local contribution agreement



Board Report

File #: 2022-0361, File Type: Informational Report

Agenda Number: 36.

REVISED
CONSTRUCTION COMMITTEE
JUNE 16, 2022

SUBJECT: FY23 ANNUAL PROGRAM EVALUATION FOLLOW UP

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE status report on the FY23 Annual Program Evaluation Follow-Up (Attachment A).

SANDOVAL AMENDMENT: Direct the CEO to develop an Early Intervention Project Team comprised of Metro’s finest and the best staff from planning, program management, operations, government relations, OMB, and vendor/contract management to design a list of a comprehensive checklist of criteria on successful project delivery addressing such as (1) funding strategy (either it is local or federal project), (2) project delivery method and why the project is being recommended for such delivery method for all Measure M Expenditure Plan Projects.

DUPONT-WALKER AMENDMENT:

1. As part of the next report on the cost management action plan, direct the CEO to include metrics to help evaluate the success and progress of cost control efforts; and
2. In the monthly Countywide Planning Major Project Status Report, direct the CEO to include a cost estimate range and design level for all projects.

ISSUE

On April 21, 2022, Staff presented the Annual Program Evaluation to the Construction Committee. In response, Director Dupont-Walker requested staff respond to the following:.

1. Establish specific measures to ensure project scope growth is being managed and controlled during all phases of project delivery, not just Program Management.
2. Develop a breakdown of specific third party and utility requirements that contribute the most to growing project costs and the steps being taken to amend or alter these requirements.
3. Detail the steps being taken to both evaluate and revise Metro Rail System Design Criteria to adequately balance system safety with project cost efficiency.

BACKGROUND

Metro is delivering the largest transportation infrastructure program in the country. The Annual Program Evaluation (APE) initiative is a comprehensive evaluation of Metro's capital program, including Transit, Multimodal Highway, and Regional Rail projects. As part of the process, staff reviews and updates project costs and schedules to current conditions, challenges, and risks. In addition, APE serves as a project management tool bringing greater consistency, transparency, and discipline to better manage and deliver Board-approved projects. The APE is a dynamic tool, which is updated annually as projects move toward completion and any changes approved by the Board are incorporated.

In April 2022, the most recent annual APE update highlighted the role of construction market factors on the \$23.7 billion capital program. Specifically, market factors arising from the ongoing recovery from the COVID pandemic and Ukrainian conflict continue to escalate project related costs. Updated economic projections indicate that this will continue into FY23 and supply chain issues and labor impacts will continue to be potential cost and schedule drivers. In addition, with the significant number and size of Program Management projects and the accelerated implementation schedule for delivering Metro's capital program, Metro's capability and capacity to deliver multiple complex projects on-time and within budget creates unprecedented challenges to project delivery. Efforts to improve, innovate, and increase our capabilities to deliver projects were also presented. During the discussion, Director Dupont-Walker requested a report back reflecting a broader, agency-wide strategy to mitigate cost growth in the delivery of capital projects.

DISCUSSION

The following departments contributed to the development of this report: Program Management, Planning and Development, Office of Management and Budget, Operations, and the Office of the CEO. This level of engagement lays the foundation for an ongoing collaborative and integrated approach to an effective cost containment strategy and aligns with the lifecycle of project development.

1. Establish specific measures to ensure project scope growth is being managed and controlled during all phases of project delivery, not just program management
 - Identify current best practices and new strategies to embed staff for planning, program management and operations in all stages of project delivery
 - Acknowledge that estimates of project schedule and cost become more accurate as project development advances. Report cost estimates in ranges, especially in early phases of project development when uncertainty is greatest
 - Extend project readiness review procedures across all lifecycle phases, including at various planning, engineering, and operational milestones
 - Assure configuration management process extends to cost and schedule variances from initial baseline plans

- Partner with jurisdictions and third parties to build consensus and buy-in on scope requirements, to freeze project designs earlier
- Conduct routine Board workshops to assure transparency and full understanding of scope alterations and cost implications
- Allocate staff and consultant resources to provide support

2. Third Party and Utility requirements that contribute the most to growing project costs and the steps being taken to amend or alter these requirements

Third Party/Utilities Cost Drivers

- Execution of agreements later in life cycle;
- Current agreements do not drive desired performance and accountability as follows:
 - Changing standards
 - Lack of adherence to timelines
 - Late design change requests; and
- Imposition of unexpected work hour restrictions by Third Parties.

Third Party/Utilities Mitigation Measures

- During project environmental clearance:
 - Engage third parties / utilities early and often
 - Finalize third party / utility agreements
 - Confirm applicable standards
 - Implement design freeze
 - Agree upon streamlined / expedited processes
 - Initiate subsurface exploration; and
- Beginning with project early works:
 - Expand subsurface exploration
 - Minimize changes relative to design freeze and enforce betterment policies
 - Adhere to agreed upon review and approval processes.

3. Metro Rail Design Criteria Plan for Cost Saving Measures

Two Primary Mitigation Strategies

1. Perform an internal assessment of opportunities to adjust requirements; and
2. Leverage alternative delivery contracts, specifically East San Fernando Valley, as an opportunity to further innovations that could result in cost reductions.

Plan for Cost Saving Measures

- Obtain input from the mega projects that are currently under construction as to which items related to Metro Rail Design Criteria for LRT and HRT may be a candidate for capital cost savings, including alternative technology;
- Secure funds and engage the services of an outside consultant to review and benchmark;
- Obtain the design criteria of three other transit rail peer agencies. Choose peer agencies that provide similar type of transit rail services as LA Metro;

- Identify items that will provide capital cost savings without compromising safety or adversely impact operations and maintenance or increase life cycle costs; and
- Coordinate with all the signatories to Metro Rail Design Criteria including Planning, Operations, Safety, and Quality and follow the Metro Systemwide Baseline Change Notice procedure to implement the identified changes.

The full Action Plan is outlined in Attachment A.

EQUITY PLATFORM

There are no equity concerns anticipated as a result of this update.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports Strategic Plan Goal #1 - Provide high-quality mobility options that enable people to spend less time traveling. This will be accomplished by planning and delivering multiple capital projects on time and on budget.

NEXT STEPS

Metro staff's next steps are to report back to the Board in September with a more detailed plan for each of the three responses.

ATTACHMENTS

Attachment A - Action Plan

Prepared by:

Julie Owen, Sr. Executive Officer, Program Control (213) 922-7313

Reviewed by:

Bryan Pennington, Chief Program Management Officer (213) 922-7449

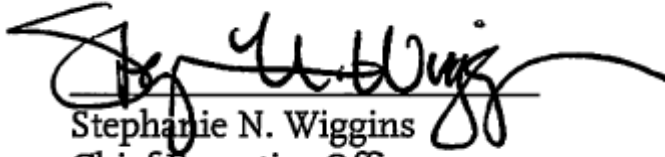
James De La Loza, Chief Planning Officer (213) 922-2920

Errol Taylor, Deputy Chief Operations Officer of Infrastructure Maintenance & Engineering (213) 922-3227

Conan Chung, Chief Operations Officer, Mobility Services & Development (213) 418-3034

Nalini Ahuja, Chief Financial Officer (213) 922-3088

Sharon Gookin, Deputy Chief Executive Officer (213) 418-3101



Stephanie N. Wiggins
Chief Executive Officer

Annual Program Evaluation Follow-Up

(Staff to report back in
60 days with its first
Action Plan)

1. *Establish specific measures to ensure project scope growth is being managed and controlled during all phases of project delivery, not just Program Management.*
2. *Develop a breakdown of specific third party and utility requirements that contribute the most to growing project costs and the steps being taken to amend or alter these requirements.*
3. *Detail the steps being taken to both evaluate and revise Metro Rail System Design Criteria to adequately balance system safety with project cost efficiency.*





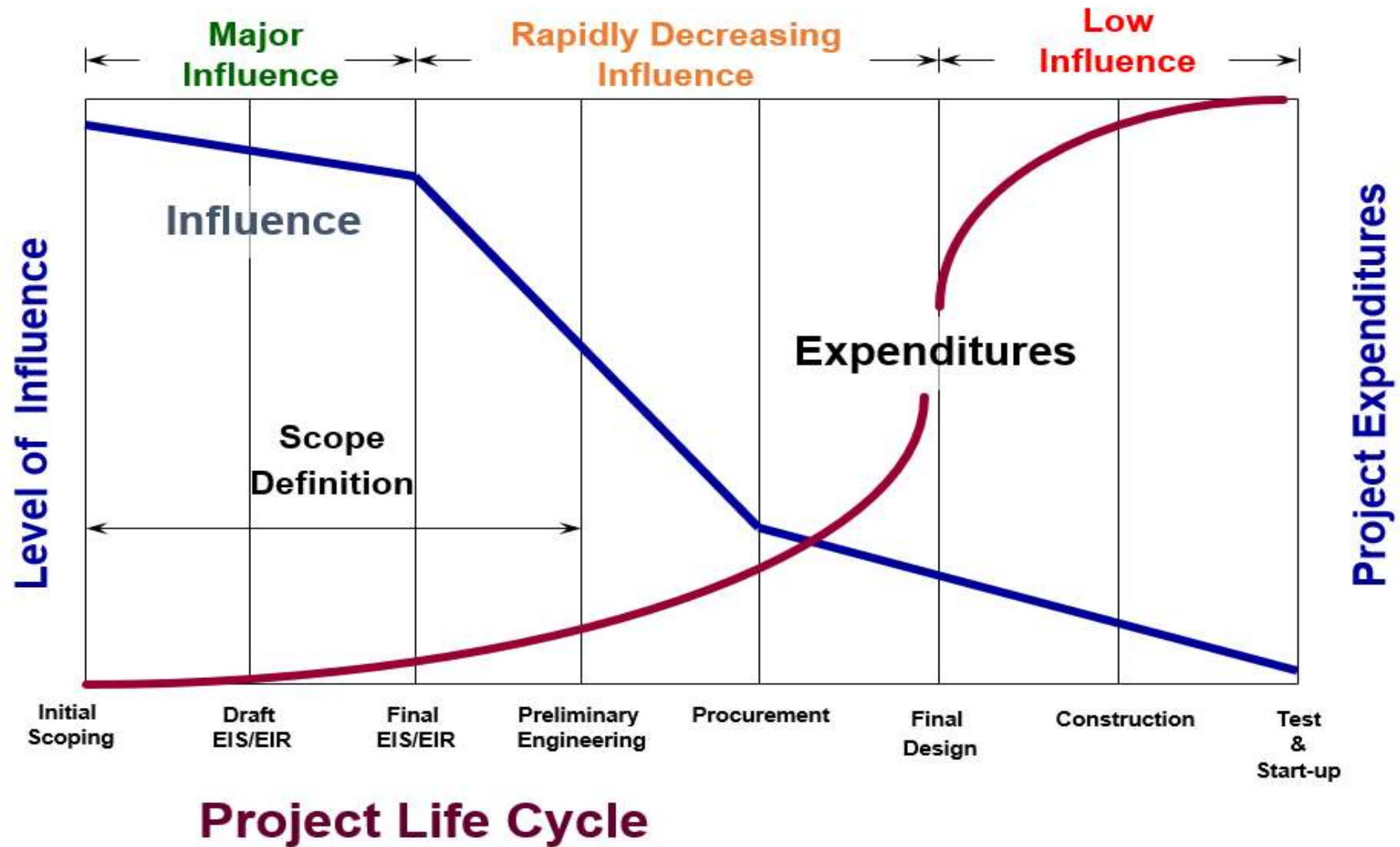
Life Cycle Overview

- Three key departments engaged with participation level changing by phase (i.e., Planning, Program Management, Operations)
- Department collaboration on scope, cost, schedule and risk is essential throughout the project life cycle
- Program-wide processes, procedures and project phase appropriate data informs stage gate decisions
- Approach entails commitment of Metro resources and knowledge
- Success also requires engagement from Metro Board and local stakeholders
- Pre-determined stage gates support reporting and cost and schedule mitigation efforts prior to next stage
- Decision-making at all stages of project development should consider full life cycle implications, with understanding that estimates (cost, schedule, etc.) become more accurate as design progresses
- Continuous configuration management over full project lifecycle improves consistency of reporting and decision making at key stages

ITEM 1

Establish specific measures to ensure project scope growth is being managed and controlled during all phases of project delivery, not just Program Management

Opportunity to Influence Project Cost Outcomes



Capital Project Lifecycle – Typical Stage Gate Review Process *

Countywide Planning and Development

Program Management

Operations

| INITIATE | PRELIMINARY ENGINEERING & ENVIRONMENTAL APPROVAL | | EARLY WORKS | PROCUREMENT | DESIGN & BUILD | OPERATE |
|--|---|---|--|--|---|--|
| STAGE 1 | STAGE 2 | STAGE 3 | STAGE 4 | STAGE 5 | STAGE 6 | STAGE 7 |
| Project Initiation | Identify Preferred Alternative & Begin Preliminary Design | Environmental Clearance, Prepare for Construction | Early Works and Right-of-Way Acquisition | Procurement for Construction | Final Design, Construction, Testing and Commissioning | Operations & Project Closeout |
| Define initial scope, cost and schedule | 15% Preliminary Engineering | Final (EIR/EIS) | Right-of-Way Acquisition | Request for Qualifications/Proposals | Contractor completes final design | Transfer completed project from contractor to Agency |
| Initial scope evaluated in programmatic environmental impact statement | Draft Environmental Impact Report (EIR/EIS) | Record of Decision - Environmental Clearance | Third party agreements - railroads, local jurisdictions, utilities | Select contractor/award contract | Construction initiated | Operate and maintain in-service asset |
| Service planning | Evaluate Range of Alternatives | Up to 30% Preliminary Engineering | Environmental permits - federal agencies | Issue Notice to Proceed | Change order management | Detailed project documentation complete |
| Risk Assessment | Model operational scenarios | Risk Assessment | Risk Assessment | Finalize right-of-way, third party agreements, permits, and environmental mitigation | Risk Assessment | |
| Scope, cost, schedule | Identify Preferred Alternative | Develop Procurement/Delivery Plan | Scope, cost, schedule | Risk Assessment | Construction completed | |
| | Risk Assessment | Right of Way Mapping | | Scope, cost, schedule | Project tested and commissioned | |
| | Scope, cost, schedule | Identify Utility Relocations | | | Substantial completion milestone | |
| | | Scope, cost, schedule | | | Ready for track & systems | |
| | | | | | Scope, cost, schedule | |

*Process shown correlates to a design-build project delivery model. Recommendations that follow would also apply to other delivery methods.



High Level Recommendations (Life Cycle Approach)

Establish specific measures to ensure project scope growth is being managed and controlled during all phases of project delivery, not just program management.

- Identify current best practices and new strategies to embed staff for planning, program management and operations in all stages of project delivery
- Acknowledge that estimates of project schedule and cost become more accurate as project development advances. Report cost estimates in ranges, especially in early phases of project development when uncertainty is greatest
- Extend project readiness review procedures across all lifecycle phases, including at various planning, engineering, and operational milestones
- Assure configuration management process extends to cost and schedule variances from initial baseline plans
- Partner with jurisdictions and third parties to build consensus and buy-in on scope requirements, to freeze project designs earlier
- Conduct routine board workshops to assure transparency and full understanding of scope alterations and cost implications
- Allocate staff and consultant resources to provide support

ITEM 2-A

*Develop a breakdown of specific third party and utility requirements that contribute the most to growing project costs and the steps being taken to amend or alter these requirements → **Third Party and Utilities***



Introduction and Background

Average Cost of Utilities:
10% of the LOP



Cost of Third Party Work:
Between 7-12% of the LOP
(depending on project type)

Cost Drivers for Utilities and Third Parties include:

- Need authority for self-permitting
- Need Master Cooperative Agreement (MCA) that drives accountability
- Need approved standards prior to bid issuance
- Enforce betterment policies
- Resource challenges and minimal work hours



Third party and Utilities – Cost Drivers and Mitigation Measures

| Third Party/Utilities Cost Drivers | Third Party/Utilities Mitigation Measures |
|--|---|
| <ul style="list-style-type: none">• Execution of agreements later in life cycle• Current agreements do not drive desired performance and accountability as follows:<ul style="list-style-type: none">• Changing standards• Lack of adherence to timelines• Late design change requests• Imposition of unexpected work hour restrictions by third parties | <ul style="list-style-type: none">• During project environmental clearance<ul style="list-style-type: none">• Engage third parties / utilities early and often• Finalize third party / utility agreements• Confirm applicable standards• Implement design freeze• Agree upon streamlined / expedited processes• Initiate subsurface exploration• Beginning with project early works<ul style="list-style-type: none">• Expand subsurface exploration• Minimize changes relative to design freeze and enforce betterment policies• Adhere to agreed upon review and approval processes |

ITEM 2-B

*Identify largest construction cost drivers that contribute the most to increased project costs and the steps being taken to mitigate → **Differing Site Conditions – Geotechnical and Environmental***



Environmental and Geotechnical Cost Drivers - Introduction and Background

Cost of Environmental and Geotechnical Work:
Approximately 10 - 13% of the LOP

(inclusive of permitting, construction compliance, and differing site condition changes and claims)

- Differing Site Conditions (DSC) are the primary cost driver for construction contract changes.
- Geotechnical investigations occur during Environmental Planning and Preliminary Engineering project phases with some detailed geotechnical investigations deferred to the Final Design and Construction Phase.
- Environmental issues are well known to impact construction costs, and to be relatively unanticipated. In some cases, this is due to California's position on the leading edge of rapidly evolving environmental regulations. In other cases, the impacts are due to a lack of awareness (on the part of planners, designers, and contractors) of the degree to which environmental compliance and mitigation requirements can extend beyond the specific issues encountered, and their cascading effects on cost and schedule.



Environmental/Geotechnical Cost Drivers and Mitigation Measures

| Environmental/Geotechnical – Cost Drivers | Environmental/Geotechnical – Mitigation Measures |
|--|--|
| <ul style="list-style-type: none">• Unforeseen/undefined below ground conditions• Unknown underground obstructions including abandoned oil wells along with buried structures for piles, building foundations, utilities, concrete drainage structures• Environmental conditions such as hazardous/contaminated materials, and presence of cultural or paleontological resources• Waste and wastewater management• Subsurface conditions and their flow for groundwater and gases• Demolition and abatement of structures• Schedule impacts from regulatory agency involvement | <ul style="list-style-type: none">• Perform initial environmental and geotechnical investigations for all projects and property acquisitions (Stage 2 Preliminary Engineering)• Expand investigations during early works stage (Early Works - Stage 4)• Perform additional investigation, early remediation, mitigation, and abatement activities ahead of construction where feasible (Early Works - Stage 4)• Early engagement with various oversight agencies to secure necessary permits and agreements (Early Works - Stage 4)• Provide detailed guidance to Contractors and assist with logistical efficiency with respect to environmental and geotechnical concerns (Design & Build - Stage 5) |

ITEM 3

Detail the steps being taken to both evaluate and revise Metro Rail System Design Criteria to adequately balance system safety with project cost efficiency.



Metro Rail Design Criteria - Introduction, History, Content

- Developed over the past 20+ years for design of light and heavy rail facilities
- All major Metro departments including, Safety and Risk Assessment, Quality, Planning, Operations and Engineering are signatory to content and requirements of MRDC
- All changes must be approved by the signatory departments before using these requirements
- Mainly uses/references the various requirements of national design codes for each discipline where available and applicable
- Aims to satisfy the pertaining national state and local mandates while using industry best practices to suit Metro's specific requirements. Not meeting these mandates would translate into a major liability for Metro.
- There are only handful of requirements that exceed code mandates to meet Metro's specific requirements
- MRDC prescribes the minimum requirements for the design of transit rail facilities that will provide for optimum life cycle costs
- Requirements are updated on a regular basis based on an internal identified need or code mandate
- Valid deviations to the MRDC requirements are entertained and approved on a project basis and agreed and signed off by all the signatory departments



Metro Rail Design Criteria –Mitigation Strategies

Two Primary Mitigation Strategies

- Perform an internal assessment of opportunities to adjust requirements
- Leverage alternative delivery contracts, specifically East San Fernando Valley, as an opportunity to further innovations that could result in cost reductions
- Overarching Assessment Assumptions:
 - 1.Revisions to MRDC would not compromise safety or adversely impact operations and maintenance or negatively impact customer experience.
 - 2.Fire Life Safety Design Criteria will be included in this review



Metro Rail Design Criteria - Plan for Cost Saving Measures

- Obtain input from the mega projects that are currently under construction as to which items related to Metro Rail Design Criteria for LRT and HRT may be a candidate for capital cost savings
- Secure funds and Engage the services of an outside consultant to review and benchmark
- Form a multidisciplinary team consisting of internal Metro Staff and outside consultant discipline experts
- Obtain the design criteria of three other transit rail peer agencies. Choose peer agencies that provide similar type of transit rail services as LA Metro
- Identify items that will provide capital cost savings without compromising safety or adversely impact operations and maintenance or increase life cycle costs.
- Coordinate with all the signatories to Metro Rail Design Criteria including Planning, Operations, Safety, and Quality and follow the Metro Systemwide Baseline Change Notice procedure to implement the identified changes



Metro Design Criteria – Using Alternative Project Delivery/Progressive Design Build to Analyze Cost

- Progressive Design Build (PDB) is a qualifications-based project delivery system that transparently builds up the project scope and cost with our selected contractor in a transparent, collaborative, and risk-informed manner
- During the cost build up process of a PDB project, the owner is afforded visibility and influence into all project costs, and is in position to analyze all project requirements in relation to tradeoffs between initial capital expenditures vs. lifecycle operational costs
- The East San Fernando Valley (ESFV) Light Rail Transit (LRT) project is Metro's first PDB contract for the Measure M rail expansion program and will give Metro true visibility into the relative cost of MRDC requirements. This process allows staff and the contractor team to analyze direct capital expenditure against the operational lifecycle cost, and will give us additional data in regard to the relative cost of the MRDC requirements, as described in the next slide
- This cost data can be used to further inform the MRDC studies described in the prior slide
- Metro's approach to PDB and transparent cost negotiation is generally consistent with other transit agencies engaged in alternative project delivery, such as DART, SANDAG, and VTA, as examples.



Metro Design Criteria – ESFV PDB Contract

SCOPE

The initial PDB Phase I scope for ESFV will contractually require an initial costing and open-books review of project estimates by the private sector contractor as follows:

1. Pricing the project as drawn in the contract documents and fully compliant with the MRDC; and
2. Bringing innovative ideas and technology solutions that result in cost and schedule reduction strategies that may include deviations from the MRDC

These tasks will be instrumental in our evaluation of MRDC cost vs. lifecycle operational cost, as we will know the relative up front and long term costs of price reduction ideas derived from deviations to the MRDC.



Conclusion and Next Steps

Initial Action Plan identified steps to help control project costs for the following:

1. Alleviate project scope growth
2. Minimize third-party and utility related cost increases
3. Reduce contract changed conditions for ground conditions and soils
4. Revise Metro Rail System Design Criteria

Short Term

- Continue alternative delivery roll-out including mitigation measures
- Deploy focused process area tiger teams
- Update processes / procedures / associated contract documents
- Assess staff and consultant resources required
- Report back to board within 90 days with detailed mitigation plan

Long Term

- Continue to monitor scope control opportunities
- Continue to increase focus on program and project cost/schedule risk



Board Report

File #: 2022-0333, **File Type:** Oral Report / Presentation

Agenda Number: 37.

**CONSTRUCTION COMMITTEE
JUNE 16, 2022**

SUBJECT: PROGRAM MANAGEMENT MAJOR PROJECT STATUS REPORT

ACTION: ORAL REPORT

RECOMMENDATION

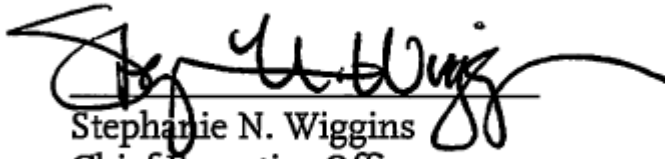
RECEIVE oral report on the Major Project Status by the Chief Program Management Officer.

DISCUSSION

Update report covering the month of June 2022 by the Chief Program Management Officer.

Prepared by:

- **Small Business Project status summary chart** - Tashia Smith, DEO, DIV & ECO OPPT., (213)922-2128
- **Crenshaw/LAX** - Sameh Ghaly, Sr EO Project Mgmt., (213) 418-3369
- **Regional Connector** - Sameh Ghaly, Sr EO Project Mgmt., (213) 418-3369
- **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
- **Airport Metro connector (AMC)** - Timothy Lindholm, Sr. EO Project Engr., (213) 922-7297
- **G Line BRT Improvements Project** - Timothy Lindholm, Sr. EO Project Engr., (213) 922-7297
- **I-5 North County Enhancements** - Timothy Lindholm, Sr. EO Project Engr., (213) 922-7297
- **Division 20 Portal Widening Turnback** - Rick Meade, Sr EO Project Mgmt., (562)524-0517
- **Presentation** - Yohana Jonathan, Sr Mgr, Project Control, (213) 418-3031



Stephanie N. Wiggins
Chief Executive Officer

Program Management Major Project Status Report

Presented By

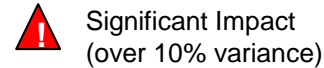
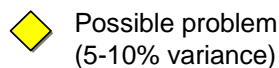
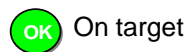
Bryan Pennington

Chief Program Management Officer

PROJECT BUDGET & SCHEDULE STATUS SUMMARY CHART

| Project | Cost Performance | | Schedule Performance | | Comments |
|--|-----------------------|-------------------------|----------------------|---------------------------|--|
| | Variance Approved LOP | Variance Revised Budget | Variance Original | Variance Revised Schedule | |
| Crenshaw/LAX | | | | | Project is 99.8% complete. Metro issued Partial Substantial Completion for Segments A & B on March 12, 2022. Metro continues to work with contractor to mitigate the delays and impacts to the project schedule; emphasizing safety and reliability in final acceptance of project elements, systems and system test reports. Equity - 8 of 8 stations (100%) are within or adjacent to Equity Focus Communities. |
| Regional Connector | | | | | Project is 94% complete. In preparation for Substantial Completion, comprehensive systems integrated testing is underway at all stations and the guideway. Site restoration at street level throughout the alignment is in high gear. Collaboration by Project and Operations underway to transition into commissioning for revenue service. Equity – three of three stations (100%) are within or adjacent to Equity Focus Communities. |
| Westside Purple Line Extension-Section 1 | | | | | Project is 77% complete. The current forecast Revenue Service Date is Fall 2024. Efforts to minimize schedule risk continue. Equity - This Project is not located within or adjacent to Equity Focus Communities. |
| Westside Purple Line Extension-Section 2 | | | | | Project is 51% complete and proceeding on schedule and within budget. Equity - This project is not located within or adjacent to Equity Focus Communities |
| Westside Purple Line Extension-Section 3 | | | | | Project is 37% complete and proceeding on schedule and within budget. Equity - 1 of 2 stations (50%) are within or adjacent to Equity Focus Communities. |
| Airport Metro Connector | | | | | Early Works Phase is 74.4% complete with bulk of the work within CLAX ROW project area completed. Primary station Contractor (10.1% complete) started demolition within CLAX ROW project area and is continuing with grade work, initial CIDH pile installations, pile cap construction in the station area, site sewer and storm drain and procurement of long-lead material. Equity - 100% of the project is within or adjacent to Equity Focus Communities. |
| G Line BRT Improvements | | | | | Progressive Design Build Contract Industry Review completed December 2021. RFP released February 2022. Contract award anticipated Summer 2022. Pilot Gate construction and testing complete. AURs and property acquisitions underway. Equity: 8 of 18 stations (47%) are within or adjacent to Equity Focus Communities |
| Rail to Rail | | | | | Started construction on May 2, 2022. Site preparation is complete and construction trailers delivered to the site. Metro team is working with the Contractor to establish project baseline schedule, review construction submittals, and address RFIs. Equity – 100% of the project is within or adjacent to Equity Focus Communities. |
| I-5 North County Enhancements | | | | | Project is 7% complete. Field work is continuing to ramp up. Baseline schedule has been approved. Equity - This project is not located within or adjacent to Equity Focus Communities. |
| Division 20 Portal Widening Turnback | | | | | Project is approximately 37% complete. Construction continues with the preparation of the Northern Yard Track Storage, post tensioning prep for the 1 st Bridge, TPSS foundation prep, Communication Ductbank CS-01, installed ShooFly, upgraded Train Control software, Phase 1 Track, utilities, and civil work, and the 1st Street Bridge Rehabilitation and precast girders. A \$75M increase in Life of Project (LOP) was approved on the February 2022 Regular Board meeting. In addition, the project schedule continues to be developed as the project team is working with the contractor to finalize an updated schedule. Equity - 100% of the project is within or adjacent to Equity Focus Communities. |

June 2022



Construction Committee

Los Angeles County Metropolitan Transportation Authority



SMALL BUSINESS PROJECT STATUS SUMMARY CHART

| Project | Phase | Goal Type | Contractor Commitment | Current Participation | Variance +/- | Status | *Adjusted Participation % | % Complete | Comments |
|---|--------------|-----------|-----------------------|-----------------------|--------------|-----------|---------------------------|------------|--|
| Crenshaw/LAX | Design | DBE | 20.00% | 20.57% | NC** | Exceeding | | 99% | Walsh/Shea Corridor Constructors, JV is exceeding the DBE commitment by 0.57% on Design and 8.68% on Construction. |
| | Construction | DBE | 20.00% | 28.68% | -.01% | Exceeding | | 99% | |
| Regional Connector | Design | DBE | 22.63% | 24.69% | +.01% | Exceeding | | 99% | Regional Connector Constructors is exceeding the DBE commitment by 2.06% on Design and 2.29% on Construction. |
| | Construction | DBE | 18.00% | 20.29% | +.06% | Exceeding | 21.69% | 88% | |
| Westside Purple Line Extension-Section 1 | Design | DBE | 20.25% | 20.48% | +.17% | Exceeding | | 95% | Skanska-Traylor-Shea Joint Venture (STS) is exceeding the DBE commitment by 0.23% on Design and has a 1.80% DBE shortfall on Construction. STS has a shortfall mitigation plan on file. STS contends the Tunneling issue set them back and that they should meet their commitment by end of project. |
| | Construction | DBE | 17.00% | 15.20% | +.19% | Shortfall | | 77% | |
| Westside Purple Line Extension-Section 2 | Design | DBE | 25.31% | 36.12% | NC** | Exceeding | | 81% | Tutor Perini/O&G, A Joint Venture (TPOG) is exceeding the DBE commitment on Design by 10.81% and has a 2.74% shortfall on Construction. TPOG has a shortfall mitigation plan on file. TPOG contends the shortfall is due to a timing issue/work scheduling of when DBEs will start work; anticipates DBE utilization to increase in the 4 th quarter of 2022. |
| | Construction | DBE | 17.00% | 14.26% | -.30% | Shortfall | | 55% | |
| Westside Purple Line Extension-Section 3 – Tunnels | Design | DBE | 11.19% | 19.01% | NC** | Exceeding | | 93% | Frontier-Kemper/Tutor Perini JV (FKTP) is exceeding the DBE commitment on Design by 7.82% and has a 0.63% shortfall on Construction. FKTP contends the shortfall is due to timing/work scheduling. FKTP expects an uptick in participation when the excavation work ramps up. |
| | Construction | DBE | 17.10% | 16.47% | -.06% | Shortfall | | 74% | |
| Westside Purple Line Extension-Section 3 – Stations, Trackwork, Systems and Testing | Design | DBE | 19.25% | 17.75% | NC** | Shortfall | | 79% | Tutor Perini/O&G, A Joint Venture (TPOG) has a 1.50% shortfall on Design and a 14.70% shortfall on Construction. TPOG contends the shortfall is due to change orders/modifications under Metro's review with pending payment to DBE's. |
| | Construction | DBE | 21.00% | 6.30% | -.15% | Shortfall | | 29% | |
| Airport Metro Connector (Station) | Construction | SBE | 20.79% | 9.12% | +7.14% | Shortfall | | 17% | Tutor Perini Corporation's has a 11.67% SBE shortfall and a 4.24% DVBE shortfall. |
| | | DVBE | 4.96% | 0.72% | +.13% | Shortfall | | | |
| G Line BRT Improvements | PDB | TBD | TBD | TBD | TBD | TBD | | TBD | Contract Award anticipated Summer 2022. Progressive Design Build (PDB). |
| Rail to Rail | Construction | DBE | 20.27% | TBD | TBD | TBD | | TBD | Contract effective date 10/27/2021. Construction anticipated to start in April 2022. |
| I-5 North County Enhancements | Construction | DBE | 13.01% | 0.05% | NC** | TBD | | 4% | OHLA USA, Inc.'s current level of DBE participation is 0.05%, representing no change from the May 2022 report. |
| Division 20 Portal Widening Turnback | Construction | SBE | 19.34% | 7.57% | +.51% | Shortfall | | 48% | Tutor Perini Corporation (TPC) has a 11.77% SBE shortfall and a 0.70% DVBE shortfall. TPC has a shortfall mitigation plan on file and expects an uptick in SBE participation when trackwork commences in the 3 rd quarter of 2022. |
| | | DVBE | 3.31% | 2.61% | NC** | Shortfall | | | |

**NC = No Change

*Excludes from contract value time delay, claims, settlements, incentives that Contractor contends has no DBE opportunity.

June 2022 (reflective of payment data reported through February 2022)

Construction Committee

Los Angeles County Metropolitan Transportation Authority



CRENSHAW/LAX TRANSIT PROJECT

| BUDGET TIFIA | Approved LOP* | Previous Period** | Current Forecast** |
|-------------------------------|------------------|----------------------|--|
| \$2,148M | \$2,058M | \$2,148M | \$2,148M |
| Variance from Approved LOP: | | \$90M (4%) | \$90M (4%) OK |
| Variance from Revised Budget: | | | \$0 OK |

| SCHEDULE | Approved | | (REVENUE OPERATION) | |
|---------------------------------|----------|------------|---------------------|--|
| | Original | Rebaseline | Previous Period | Current Forecast* |
| | Oct.2019 | May 2020 | Fall 2022 | Fall 2022** |
| Variance from Original: | | | +1,068d (48%) | +1,068d (48%) ▲ |
| Variance from Revised Schedule: | | | +861d (35%) | +861d (35%) ▲ |

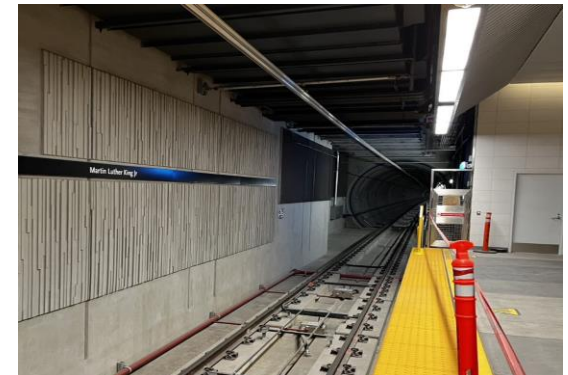
*At time of the award of contract - Board Approval June 2013
 **Excludes finance costs and includes \$10M Non-TIFIA activities

*Current Forecast is Contractor's March Schedule update
 **Substantial Completion achieved on March 12, 2022, for Segments A and B

- **Safety:** Project Hours: 11,402,500 Recordable Injury Rate: 1.78 vs. The National Average: 2.4 (as of April 2022)
- Overall Project Progress is 99.8% complete.
- Metro granted Walsh/Shea Corridor Constructors (WSCC) Partial Substantial Completion for Segments A & B on March 12, 2022. WSCC progress monitoring indicates Substantial Completion may be attained by May 2022.
- Metro is concerned with the slow progress of completing systems integration testing and testing reports due to resource issues and discrepancies found during testing.
- DB contractors remaining work is primarily to complete System Integration Testing (SIT-1) of train control signal & grade crossing with trains-and emergency management panels to equipment and emergency scenarios in underground stations, and to complete test report submission/approval and punch-list and repair work including fire life safety items.
- Metro is performing System Integration (SIT-2) tests from Rail Operation Center.
- Metro continues to work with contractor to minimize delays and impacts to the project schedule; emphasizing safety and reliability in final acceptance of project elements, systems, and systems test reports.
- Additional funds are needed to cover higher than expected legal costs, higher than expected "Clean up" contract costs and the settlement of contract changes that were otherwise to be submitted to the evaluator.
- Equity - 8 of 8 stations (100%) are within or adjacent to Equity Focus Communities.





MLK Station – Plaza Level





MLK Station – Underground

REGIONAL CONNECTOR TRANSIT PROJECT

| BUDGET | Approved | Previous | Current |
|-------------------------------|-------------|-----------------|--|
| <u>FFGA</u> | <u>LOP*</u> | <u>Period**</u> | <u>Forecast**</u> |
| \$1,402M | \$1,420M | \$1,755M | \$1,755M |
| Variance from Approved LOP: | | \$335M (24%) | \$335M (24%)  |
| Variance from Revised Budget: | | | \$0  |

*At time of the award of contract – Board Approval April 2014

**Excludes finance costs

| SCHEDULE | | (REVENUE OPERATION) | |
|---------------------------------|-------------------|---------------------|---|
| Approved** | Previous | Current | |
| <u>Original</u> | <u>Rebaseline</u> | <u>Period</u> | <u>Forecast*</u> |
| May 2021 | Fall 2022 | Fall 2022 | Fall 2022** |
| Variance from Original: | | +480d (19%) | +480d (19%)  |
| Variance from Revised Schedule: | | | 0d  |

*Current Forecast is Metro's April 2022 update

**Approval in process

***Substantial Completion for ROW is expected to be achieved in June 2022

- **Safety:** Project Hours: 7,177,701 Recordable Injury Rate: 0.72 vs The National Average: 2.4 (as of March 2022)
- Overall Project Progress is 94% complete
- **Little Tokyo/Arts District Station & Surrounding Area:** Station construction and testing continues throughout the station and include elevators, finishes, Art, and systems installations and testing. Station plaza backfill, concrete, and related enhancements are near complete.
- **Historic Broadway Station:** Finishes, Art, and systems installations and testing are all continuing. Construction of plaza canopy and related features continue. Street restorations on Broadway, 2nd and Springs streets are continuing behind final utility relocations.
- **Grand Av Arts/Bunker Hill Station:** Finishes, Art, elevators, pedestrian bridge, and systems installations and testing are all near complete. Street restorations are underway on Hope Street.
- **Flower Street and 7th/Metro Center:** Final radio installations in 7th/Metro and handrails along the guideway are near completion underground. Street restorations on Flower south of 4th Street are continuing behind final street and intersection improvements.
- **Mangrove Yard:** Restoration of the yard to be ground level parking facility is underway.
- **Systems:** Comprehensive integrated testing of all systems is underway to facilitate Operations' access to the Project's facilities for rail activation and start-up.
- **Equity:** Three of three stations (100%) are within or adjacent to Equity Focus Communities





Plaza Canopy at Little Tokyo/Arts District Station




Concrete placement at emergency stairs at Historic Broadway Station

June 2022

 On target

 Possible problem (5-10% variance)

 Significant Impact (over 10% variance)





Construction Committee

Los Angeles County Metropolitan Transportation Authority

WESTSIDE PURPLE LINE EXTENSION – SECTION 1



BUDGET

| FFGA | Approved LOP* ** | Previous Period** | Current Forecast** |
|-------------------------------|------------------|-------------------|--|
| \$2,822M | \$2,774M | \$3,129M | \$3,129M |
| Variance from Approved LOP: | | \$355M (13%) | \$355M (13%)  |
| Variance from Revised Budget: | | \$0 |  |

*At time of the award of contract – Board Approval July 2014

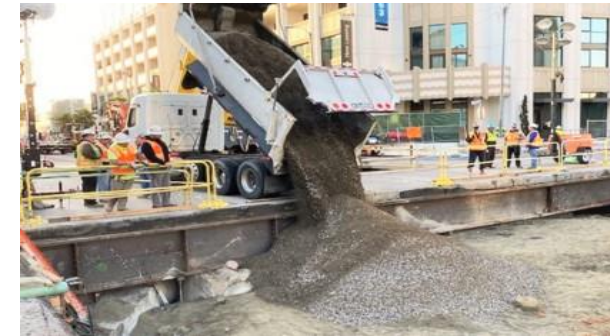
**Excludes finance costs

SCHEDULE

| (REVENUE OPERATION) | | | |
|---------------------------------|---------------------|-----------------|---|
| Original | Approved Rebaseline | Previous Period | Current Forecast* |
| Nov.2023 | Fall 2024 | Fall 2024 | Fall 2024 |
| Variance from Original: | | +365d (11%) | +365d (11%)  |
| Variance from Revised Schedule: | | 0d |  |

*Current Forecast is Contractor's April 2022 Schedule update

- **Safety:** Project Hours: 6,965,701 Recordable Injury Rate: 1.14 vs. The National Average: 2.4 (as of March 2022);
- Overall Project progress is 77% complete.
- **Wilshire/La Brea Station:** West hammerhead concourse and 2nd lift walls, entrance structure, MEP installation and appendage construction continue. Decking removal on Wilshire Boulevard is underway.
- **Wilshire/Fairfax Station:** Concrete placements for remaining east roof sections are underway. West side level 2 exterior wall construction continues. Entrance plaza and appendage work is ongoing. MEP installation is underway.
- **Wilshire/La Cienega Station:** East 2nd lift exterior wall placements are underway. West concourse concrete activities, entrance structure work and appendage construction move forward.
- **Reach 1 Tunnel:** Track installation continues at both north and south tunnels.
- **Reach 2 Tunnel:** HDPE installation for tunnel invert/walkway concrete is underway.
- **Reach 3 & Tail Track:** Reach 3 cross passage excavation continues. Preliminary cutterhead removal activities have started.
- **Equity:** This Project is not located within or adjacent to Equity Focus Communities



Weekend Decking Removal at Wilshire/La Brea Station



Reach 1 Track Installation

WESTSIDE PURPLE LINE EXTENSION – SECTION 2

| BUDGET | Approved | Previous | Current |
|-------------------------------|----------|-----------|---|
| FFGA | LOP* | Period** | Forecast** |
| \$2,499M | \$2,441M | \$2,441M | \$2,441M |
| Variance from Approved LOP: | | \$0M (0%) | \$0M (0%) OK |
| Variance from Revised Budget: | | | \$0 OK |

*At time of the award of contract – Board Approval January 2017

**Excludes finance costs

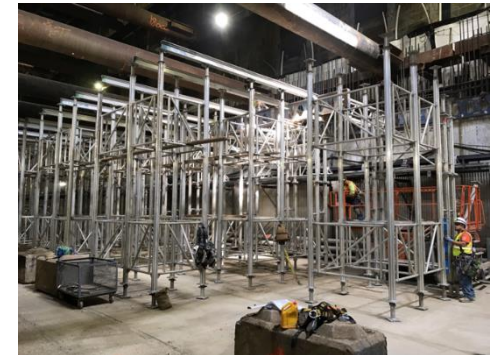
| SCHEDULE | Approved | (REVENUE OPERATION) Previous | Current |
|---------------------------------|------------|------------------------------|--|
| Original | Rebaseline | Period | Forecast* |
| Aug. 2025 | N/A | Summer 2025 | Summer 2025 |
| Variance from Original: | | +0d (0%) | +0d (0%) ◇ |
| Variance from Revised Schedule: | | 0d | 0d OK |

*Contract schedule is forecasting a slippage to the contractual milestones. The project team is identifying opportunities to mitigate and is monitoring potential impacts. Staff will provide periodic updates to the Board.

- Safety:** Project Hours: 2,636,918 Recordable Injury Rate: 3.04 vs The National Average: 2.4 (as of April 2022)
 - Although there are some improvements in safety practices, Metro is still concerned about the Contractor's safety record.
- Overall Project progress is 51% complete as of period ending April 2022
- Century City Constellation Station**
 - Excavation of the station box was 38% complete as of May 12, 2022
 - Excavation of the station entrance was 30% complete as of May 12, 2022
- Wilshire/Rodeo Station**
 - Placement of concrete for the invert slab and first level station walls are approximately 72% complete as of May 12, 2022. Installation of the concourse level deck formwork have commenced.
- Tunneling**
 - Both Tunnel Boring Machines (TBM's) are excavating Reach 4, between Wilshire/Rodeo and Wilshire/La Cienega (Section 1).
 - Progress of as of May 13, 2022:
 - Ruth (eastbound subway tunnel) – Reach 4: 1,025ft (8%), overall: 6,802ft (60%)
 - Harriet (westbound subway tunnel) – Reach 4: 2,044ft (36%), overall: 7,850ft (64%)
 - Tunneling progress is slower than contractor's baseline.
- Equity:** This project is not located within or adjacent to Equity Focus Communities.



Century City Constellation Station Box Excavation



Wilshire/Rodeo Station Concourse Level Formwork

June 2022

OK On target

◇ Possible problem (5-10% variance)

! Significant Impact (over 10% variance)

WESTSIDE PURPLE LINE EXTENSION – SECTION 3

BUDGET

| <u>FFGA</u> | <u>Approved LOP*</u> | <u>Previous Period**</u> | <u>Current Forecast**</u> |
|--------------------------------------|----------------------|--------------------------|---------------------------|
| \$3,599M | \$3,224M | \$3,224M | \$3,224M |
| <i>Variance from Approved LOP:</i> | | \$0M (0%) | \$0M (0%) OK |
| <i>Variance from Revised Budget:</i> | | | \$0 OK |

*At time of the award of contract – Board Approval February 2019

**Excludes finance costs

SCHEDULE

| | | (REVENUE OPERATION) | |
|--|-------------------|------------------------|--------------------------|
| <u>Original</u> | <u>Rebaseline</u> | <u>Previous Period</u> | <u>Current Forecast*</u> |
| Mar. 2027 | N/A | Spring 2027 | Spring 2027 |
| <i>Variance from Original:</i> | | +0d (0%) | +0d (0%) OK |
| <i>Variance from Revised Schedule:</i> | | | 0d OK |

*Current Forecast is Contractor's March Schedule update

**Approval in process

- Safety:** Project Hours: 1,779,265 Recordable Injury Rate: 1.69 vs The National Average: 2.4 (as of March 2022)
 - C1151: Project Hours: 879,337; Recordable Injury Rate: 3.41 (as of March 2022)
 - C1152: Project Hours: 922,679; Recordable Injury Rate: 0.0 (as of April 2022)
 - Although there are some improvements in safety practices, Metro is still concerned about the C1151 Contractor's safety record.
- Overall Project Progress is 37% complete
- Final design progress is 94% complete
- Tunneling**
 - Both tunnel boring machines (TBMs) "Aura" and "Iris" are operating in Los Angeles in Wilshire Blvd. Progress as of April 30, 2022, is as follows:
 - Aura "BL TBM" (eastbound subway tunnel) – Reach 6: 850 ft. (9%), overall: 4,800 ft. (36%)
 - Iris "BR TBM" (westbound subway tunnel) – Reach 6: 1,894 ft (20%), overall: 5,800 ft (43%)
 - Tunneling progress is slower than contractor's baseline. Contractor needs to mitigate to avoid delay.
- Westwood/UCLA Station**
 - Support of Excavation pile installation continues, about 73% complete.
- Westwood/VA Station**
 - VA steam tunnel relocation continues.
- Equity:** 1 of 2 stations (50%) are within or adjacent to Equity Focus Communities



BL Tunnel Booster Fan & Transformer Installation



Westwood/UCLA Potholing Work on Wilshire Blvd.

June 2022



On target



Possible problem
(5-10% variance)



Significant Impact
(over 10% variance)



Metro 8

Construction Committee

Los Angeles County Metropolitan Transportation Authority

AIRPORT METRO CONNECTOR (AMC) PROJECT

| BUDGET | Approved LOP* | Previous Period | Current Forecast |
|-------------------------------|------------------|--------------------|---------------------------|
| TOTAL COST | \$898.6M | \$898.6M | \$898.6M |
| Variance from Approved LOP: | | \$0M (0%) | \$0M (0%) OK |
| Variance from Revised Budget: | | | \$0 OK |

*Approved May 2021 Board

| SCHEDULE | Approved Rebaseline | (Revenue Operation) Previous Period | Current Forecast* |
|---------------------------------|------------------------|---|---------------------------|
| Original | N/A | Fall 2024 | Fall 2024 |
| Variance from Original: | | +0d (0%) | +0 d (0%) OK |
| Variance from Revised Schedule: | | | 0d OK |

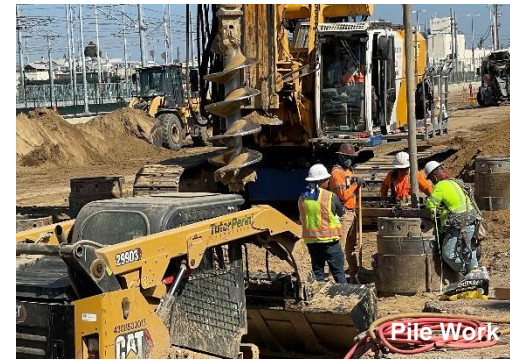
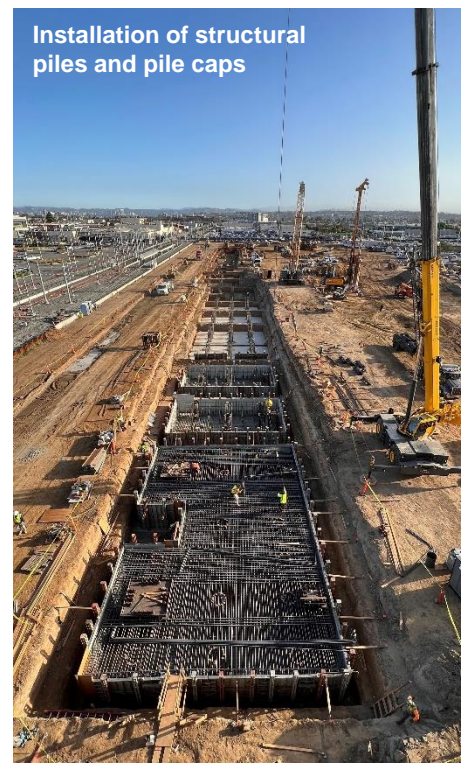
*Current Forecast is Metro's May Schedule update

Safety:

- Project Hours: 46,249(as of March 2022)
- Recordable Injury Rate: 0.00 (National Average: 2.4)

Progress:

- Early Works Phase construction (74.4% complete)
- North Turn back and Reconfiguration of signal and OCS system with turnback facility is near completion. Underground stormwater cistern scope is complete.
- Primary Station Construction (10.1%) has continued with site grading work, initial installation of structural piles, construction of pile caps, site sewer and storm drain and procurement of long-lead material.
- **Equity:** 100% of the project is located within or adjacent to Equity Focus Communities



G LINE BRT IMPROVEMENTS PROJECT

| BUDGET | Approved LOP | Previous Period | Current Forecast |
|-------------------------------|--------------|-----------------|---|
| TOTAL COST | N/A | N/A | \$392 M - \$476 M |
| Variance from Approved LOP: | | \$0M (0%) | \$0M (0%) OK |
| Variance from Revised Budget: | | | \$0 OK |

**Project will work within the annual budget constraints until LOP is established*

| SCHEDULE | Approved Rebaseline | (Revenue Operation) Previous Period | Current Forecast* |
|---------------------------------|---------------------|-------------------------------------|---|
| Original | N/A | N/A | Dec 2026 |
| Variance from Original: | | +0d (0%) | +0 d (0%) OK |
| Variance from Revised Schedule: | | | 0d OK |

**Current Forecast is Metro's Internal Schedule, Baseline schedule not yet approved at time of update*

- **Progressive Design Build Contract:**
 - PDB Contract Award anticipated Summer 2022
- **Utility Owner-performed AURs**
 - Sepulveda – removal of poles and overhead wires pending PDB contractor installation of new power service
 - Vesper – DWP crews pulling cable through May, Charter tentative construction start in June
 - Sylmar – Work complete within City ROW, construction on hold pending approved license agreement between Metro and DWP
- **Nine Property Acquisitions underway:**
 - Two acquisitions in negotiation phase
 - Five offers presented to owners between 4/2 and 5/10
 - One acquisition in appraisal stage
 - One property on hold, pending elimination
- **Equity:** 8 of 17 stations (47%) are within or adjacent to Equity Focus Communities



DWP Sylmar Undergrounding



DWP Vesper Advanced Utility Relocation

June 2022



On target



Possible problem (5-10% variance)



Significant Impact (over 10% variance)



Metro10

Construction Committee

Los Angeles County Metropolitan Transportation Authority

RAIL TO RAIL ACTIVE TRANSPORTATION CORRIDOR PROJECT

| BUDGET | Approved LOP | Previous Period | Current Forecast |
|-------------------------------|--------------|-----------------|------------------|
| TOTAL COST | \$143.3M | \$143.3M | \$143.3M |
| Variance from Approved LOP: | | \$0M (0%) | \$0M (0%) |
| Variance from Revised Budget: | | | \$0 |

**Project will work within the annual budget constraints until LOP is established*

OK
OK

| SCHEDULE | Approved Rebaseline | (Revenue Operation) Previous Period | Current Forecast* |
|---------------------------------|---------------------|-------------------------------------|-------------------|
| Original | N/A | N/A | xx |
| Variance from Original: | | +0d (0%) | +0 d (0%) |
| Variance from Revised Schedule: | | | 0d |

**Current Forecast is Metro's Internal Schedule, Baseline schedule not yet approved at time of update*

OK
OK

- Started construction on May 2, 2022.
- Completed site preparation work, including grading, spreading road base, installing shaker plates, temporary power pole and construction fence. Construction trailers delivered for set-up.
- After hours security patrol started on May 4, 2022.
- Encampments removed and site cleared from 11th to Western Ave.
- Initiated soil sampling of illegally dumped material within the ROW.
- Review of contractor's baseline schedule continues.
- Equity:** 100% of the project is located within or adjacent to Equity Focus Communities.



Site preparation work



Construction trailer set-up

June 2022



On target



Possible problem (5-10% variance)



Significant Impact (over 10% variance)



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Los Angeles County Metropolitan Transportation Authority

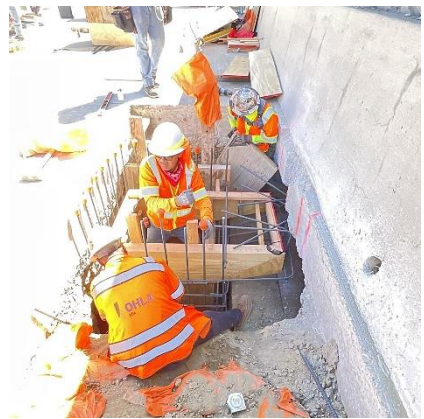
I-5 NORTH COUNTY ENHANCEMENTS

| BUDGET | Approved LOP* | Previous Period | Current Forecast |
|-------------------------------|------------------|--------------------|---------------------|
| TOTAL COST | \$679.3M | \$679.3M | \$679.3M |
| Variance from Approved LOP: | | \$0M (0%) | \$0M (0%) |
| Variance from Revised Budget: | | | \$0 |

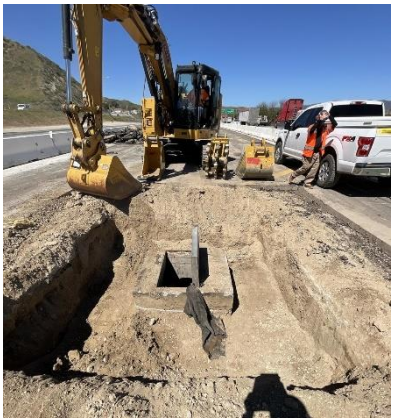
*At time of the award of contract – Board Approval (March 2021)

| SCHEDULE | Approved Rebaseline | (Substantial Completion) Previous Period | Current Forecast |
|---------------------------------|------------------------|--|---------------------|
| Original July 2026 | N/A | Summer 2026 | Summer 2026 |
| Variance from Original: | | +0d (0%) | 0d (0%) |
| Variance from Revised Schedule: | | | N/A |

- Aerially Deposited Lead (ADL) removal, Clear and Grub activities, temporary striping, and Median Drainage work is in progress. Removal of existing guardrail in the Median, sawcutting/grinding existing pavement, and roadway excavation activities began. Structure and Retaining Wall work expected to start soon.
- Project Team continues to coordinate with stakeholders: Caltrans, Federal Highway Administration (FHWA), City of Santa Clarita, Los Angeles County, CHP, NPS, CDFW
- **Equity:** This project is not located within or adjacent to Equity Focus Communities



Stage 1 Phase 1 Drainage Inlet Installations in Median



Removal of existing metal beam guardrail from median – Rye Canyon Road to Parker Road

DIVISION 20 PORTAL WIDENING TURNBACK

| BUDGET | Approved LOP* | Previous Period | Current Forecast |
|-------------------------------|------------------|--------------------|--|
| TOTAL COST | \$876.7M | \$801.7M | \$876.7M |
| Variance from Approved LOP: | | \$75M (9%) | \$75M (9%) OK |
| Variance from Revised Budget: | | \$0 | \$0 OK |

*At time of the award of contract – Board Approval (February 2020)

| SCHEDULE | Approved Rebaseline | (Substantial Completion) Previous Period | Current Forecast* |
|---------------------------------|------------------------|--|---|
| Original June 2024 | N/A | June 2024 | TBD |
| Variance from Original: | | +0d (0%) | TBD ◆ |
| Variance from Revised Schedule: | | | TBD ◆ |

*Current Forecast is Contractor's Schedule update

- Overall Project progress is 37% complete

Includes Real Estate Acquisitions, Environmental, Design, Contract Mobilization, Early Demolition, Power, Utility contracts, installed Shoofly, continued work on the 1st Bridge Repairs and contract change orders.

- C1136 TPC Portal Widening Turnback Contract

PWT C1136 Contract progress is 42%
 Upgrade to Train Control software/hardware (Microlok)
 Phase 1 Track, utilities, and civil work continues
 1st Street Bridge Rehabilitation 85% complete
 1st Bridge 25 out of 37 Precast Girders recently set

- Major Change Orders to Date:

Hazardous Material Removal
 1st St Bridge Repairs of Differing Site Conditions
 Completion of early utility Contracts
 3rd Party Interfaces
 Design Revisions (in progress)

- C1184 C3M Traction Power Substation Contract at 67%

- Coordination with Adjacent Projects

Purple Line Extension (PLE1), Regional Connector;
 Metro Center Project, 6th Street Bridge (City of L.A. Project)

- Continued Regular risk assessments to determine budget/schedule

- Equity: 100% of the project is located within or adjacent to Equity Focus Communities

TPSS Pad Framework and Concrete Pour



June 2022



On target



Possible problem
(5-10% variance)



Significant Impact
(over 10% variance)



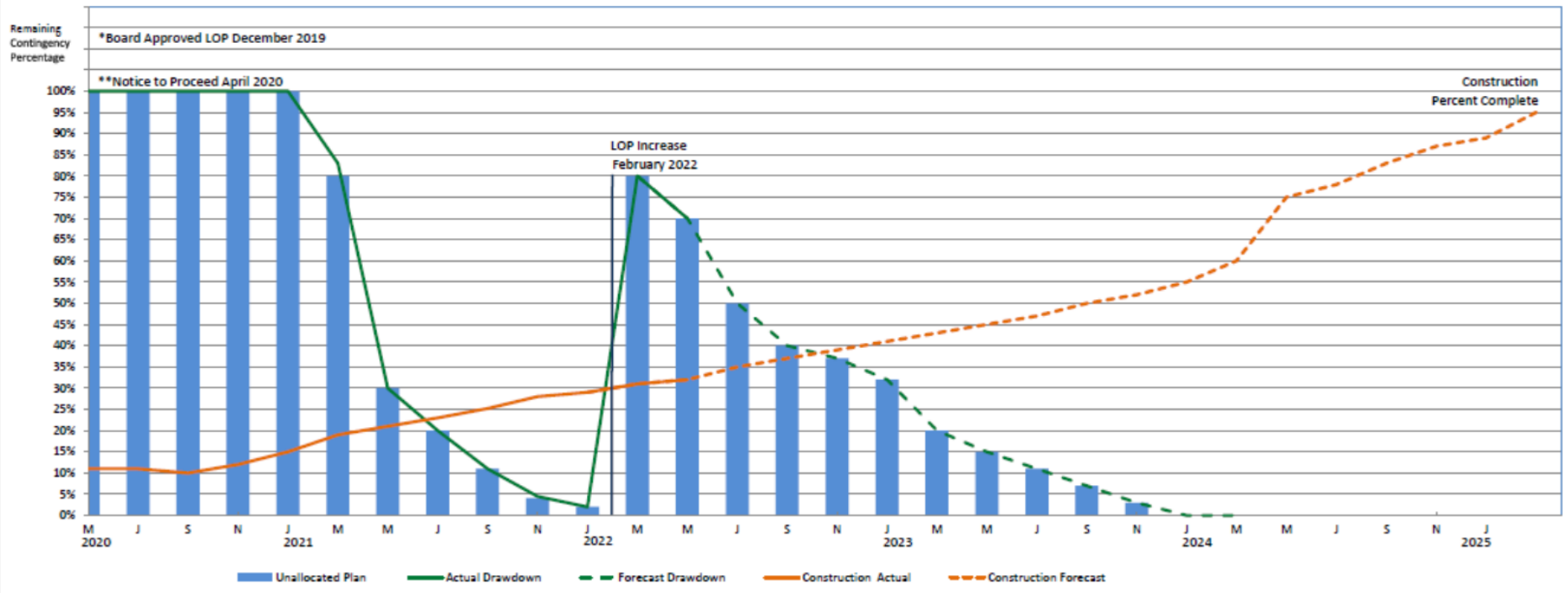
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DIVISION 20 PORTAL WIDENING TURNBACK

Unallocated Contingency Drawdown with Construction Percent Complete Comparison



June 2022

Construction Committee

Los Angeles County Metropolitan Transportation Authority

