

**OPERATIONS COMMITTEE
JULY 21, 2005**

**SUBJECT: NEW DIVISION 9 TRANSPORTATION BUILDING AND FACILITY
IMPROVEMENTS PROJECT**

**ACTION: AUTHORIZATION TO AMEND THE EL MONTE PARKING LOT
AGREEMENT BETWEEN LACMTA AND CALTRANS TO ALLOW ACCESS
FOR CONSTRUCTION OF THE NEW DIVISION 9 TRANSPORTATION
BUILDING**

RECOMMENDATION

Authorize the Chief Executive Officer to execute an amendment to the El Monte Parking Lot Agreement (“Agreement”) between the State of California Department of Transportation (“CALTRANS”) and LACMTA in order to provide MTA access for construction of the New Division 9 Transportation Building. The amendment will require LACMTA to replace 253 parking spaces at some date in the future should the daily average capacity of the parking lot exceed 1,500 spaces, or the daily maximum usage at any date exceed 1,600 spaces.

DISCUSSION

The Division 9 bus operations and maintenance facility serves the San Gabriel Valley and eastern Los Angeles bus routes as well as Metro buses utilizing the El Monte Busway. The MTA-owned Division is located adjacent to the CALTRANS-owned El Monte Station Transit Center and associated public parking, which is maintained and operated by LACMTA under the terms of the 1971 Agreement between CALTRANS and LACMTA. The entire facility, encompassing both CALTRANS and LACMTA properties, is located within a designated redevelopment area of the City of El Monte.

The Division 9 facility was constructed in 1974 and has a current fleet of 192 buses. The current facility improvements are 31 years old and additional maintenance and storage capacity will be needed in the future to accommodate forecasted fleet growth and increase operational efficiency. Implementation of the El Monte Facility Master Plan, a cooperative effort between the City of El Monte, CALTRANS and LACMTA, is a response to this issue, as expansion of this facility to a fleet of up to 300 modern CNG coaches will be required to accommodate forecasted fleet growth through 2020.

As initial elements, or Phase I, of the Master Plan, LACMTA completed improvements to the Division 9 maintenance building (new battery shop, tire shop, brake shop, storage canopy), and also completed preliminary design work for a new transportation building at

Division 9. The new building will house all Metro transportation functions as well as offices for the San Gabriel Valley Sector and a substation for the Los Angeles County Sheriff staff. The state-of-the-art three-story transportation building will be constructed in accordance with the United State Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) guidelines with a planned "Silver" certification. The proposed location of the transportation building is situated adjacent to the parking structure on the CALTRANS property, which was constructed by SCRTD in 1987 and has been operated by SCRTD and LACMTA from construction to the present.

The current transportation building is inefficiently located in the middle of MTA's Division 9 property, and demolition of the old building will allow MTA to efficiently consolidate bus parking in the center of the site and increase the bus storage capacity as called for in the Master Plan. Upon completion of the new transportation building, the old transportation building will be demolished, and employee parking will be relocated into the parking structure, thus allowing the former parking and building areas to be paved and striped to efficiently store and operate up to 300 buses. Construction of the new transportation building, and relocation of MTA's employee parking into the parking structure, will result in a net loss of 253 public parking spaces on the CALTRANS-owned property.

The design/build contractor for construction of the new transportation building has been selected, and the price has been negotiated. The negotiated price is set to expire 120 days after receipt of the price proposal. In order to preserve this price, Metro must award the contract by July 22, 2005, but withhold notice-to-proceed until after Board approval of the amendment terms as described below. Should the Board not approve the amendment terms, the contract award will be withdrawn immediately.

ISSUE

The current public patron parking capacity at the El Monte Transit Center is 2,018 parking spaces, and the average daily usage is 950 cars. Usage of the El Monte Station Transit Center parking facilities has generally declined since opening of the facilities in 1974, but has been relatively stable for the last five years with an average of 1,068 parking stalls unoccupied on a daily basis. Upon completion of the new transportation building, relocation of MTA's employee parking, and completion of Foothill Transit's construction of additional bus berths, the capacity of the El Monte Transit Center will be 1,664 parking stalls with 596 empty stalls on an average daily basis.

CALTRANS and MTA have reached conceptual agreement on the terms of an amendment to the Agreement that will allow MTA to construct the new transportation building and relocate the employee parking. The terms of the amendment include the following primary points:

- CALTRANS will allow MTA immediate access to construct the project on CALTRANS property.
- CALTRANS, as required by the 1971 Agreement, will secure FHWA approval.
- MTA will agree to replace the 253 parking spaces at some date in the future should the daily average capacity exceed 1,500 spaces, or the daily maximum usage at any date exceed 1,600 spaces.

- If future joint development or transit related projects are proposed (such as a future Metrolink station) which affect the Division 9 or El Monte Station Transit Center facilities, MTA's obligation to replace the parking could be renegotiated or passed on to a joint developer.

After completion of the Transportation building project, 596 excess parking stalls will be available on a daily basis and it is unlikely that the capacities required by the amendment will be reached in the foreseeable future. However, MTA will be able to provide the 253 spaces if required, using property already owned by LACMTA on the Division 9 site. Replacement of the 253 parking stalls on the Division 9 site is cost-effective and requires no additional property, but will require minor demolition and re-paving work. If required at all, this approach would also decrease the bus parking expansion by approximately 33 buses, reducing the expansion capacity from 300 buses to 267 buses. Costs for demolition and re-paving construction work are estimated to be less than \$300,000.

FINANCIAL IMPACT

This action will not affect the approved Life of Project budget of \$16,500,000. If the capacity limits of the El Monte Station Transit Center are reached in the future, the funds for demolition and re-paving would be budgeted in the fiscal year the funds are required.

ALTERNATIVES CONSIDERED

The Board of Directors may choose not to authorize the CEO to amend the CALTRANS agreement. This alternative is not recommended for the following reasons:

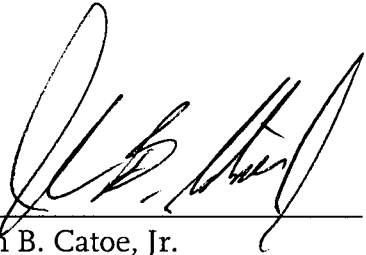
- Rejection of the authorization would suspend notice-to-proceed of the design/build construction contract indefinitely, therefore forcing cancellation of the design/build contract, and the Transportation Building at Division 9 could not be completed as scheduled. This would not allow Metro Operations to expand and provide needed future capacity in the San Gabriel Valley. Rejection would negatively affect future joint development activities as called for in the El Monte Facility Master Plan.
- If the Board were to delay approval of the amendment terms beyond July 2005, the Contractor's bid will expire, and the Contractor could decide to raise its price or cancel its bid. Re-bidding this project in the future would cause additional escalation costs to be incurred by MTA.
- If rejected, funding already authorized and secured from the Bus Operations Subcommittee (BOS) for this project could not be used, and would have to be reallocated back to BOS for other, potentially non-MTA, project uses.

NEXT STEPS

In order to preserve the negotiated design/build contract price, Metro must award the contract by July 22, 2005. Notice-to-proceed will be withheld until after Board authorization. Should the Board not approve the amendment terms, the contract award will be withdrawn immediately. The formal amendment between CALTRANS and LACMTA will be prepared and executed. Considering a contract award in July 2005, construction of the new

transportation building will be complete by October 2006, helping Metro Operations provide bus storage space required for Consent Decree compliance.

Prepared by: Tim Lindholm, Project Manager, Facilities-Operations
 Denise Longley, Deputy Executive Officer, Facilities-Operations



John B. Catoe, Jr.
Deputy Chief Executive Officer



Roger Snoble
Chief Executive Officer

