



Expo

Exposition Metro Line
Construction Authority


707 Wilshire Boulevard
34th Floor
Los Angeles, CA 90017

213.243.5500
BuildExpo.org

6.d

DATE: JULY 6, 2006

TO: BOARD OF DIRECTORS

FROM: RICHARD D. THORPE 
CHIEF EXECUTIVE OFFICER

**ACTION: AUTHORIZE THE CEO TO ISSUE AN INTERIM WORK ORDER
TO THE CITY OF LOS ANGELES FOR FY07 SUPPORT OF THE
THE EXPOSITION LIGHT RAIL PROJECT**

RECOMMENDATION

Authorize the CEO to issue an Interim Work Order to the City of Los Angeles ("City") in an amount not-to-exceed \$298,600 required in support of the Exposition Light Rail Project ("Project") while negotiation of an FY07 Annual Work Program ("Program") is being completed.

SUMMARY

Support of the design and construction of the Project by various departments of the City is both necessary and essential for completion of the Project and in accordance with the Board adopted schedule. This support is authorized and funded by the Exposition Metro Line Construction Authority ("Authority") via annual work programs on a fiscal year basis. Since negotiations of the FY07 Program have not been completed by July 1, 2006, the beginning of the fiscal year, it is proposed that an Interim Work Order for an amount not-to-exceed \$298,600 be issued.

DISCUSSION

The involvement of several departments of local jurisdictions will be required during the design and construction of the project. This support has been typically obtained via Annual Work Programs authorized and funded by the agency responsible for the project design and construction. A similar approach has been

used on the Expo Light Rail Transit Project while it was being implemented by Metro. Through FY06, several Annual Work Programs have been entered into with the City of Los Angeles.

It is the intent of the Authority to continue this practice for the duration of the Project. Unfortunately, the negotiation of the Program for FY07 was not completed prior to the start of the fiscal year. Although negotiations were initiated in April, 2006, the negotiation process for the Expo Light Rail Transit Project had to be deferred to permit City and Authority staff to first complete negotiation of the Master Cooperative Agreement (MCA) between the City and the Authority, as the MCA provides the basis for the Annual Work Programs.

Now that negotiation of the MCA is nearing completion, negotiation of the FY07 Work Program has been resumed. However, it is clear from the number of line items that need to be resolved, that completion of the process may require several more weeks. Therefore, it has become necessary to issue an Interim Work Order to ensure that critical project support by City departments continue while negotiation of the FY07 Work Program is being completed. It is proposed that the Interim Work Order be issued for an amount not-to-exceed \$298,600, which is 10% of the City's initial request and should be sufficient to ensure continued support for at least five weeks.

FINANCIAL IMPACT

The estimated costs of the proposed Interim Work Order are within the Project's proposed budget of \$640 million.

NEXT STEPS

Upon approval, the CEO will issue an Interim Work Order on behalf of the Authority to the City for support services for FY07. Upon completion of negotiation between City and Authority staff, the FY07 Work Program will be submitted to the Authority Board for approval.

ATTACHMENT(S)

None