



Metro

Metropolitan Transportation Authority

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**OPERATIONS COMMITTEE
SEPTEMBER 18, 2008**

SUBJECT: UNION DIVISION BUS MAINTENANCE AND OPERATIONS FACILITY

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATIONS

- A. Approve and certify the Initial Study/Mitigated Negative Declaration (IS/MND) for the Union Division Bus Maintenance and Operations Facility to design and construct an approximately 360,000-square-foot public facility development including: a three-story parking structure; an upward spiral circular structure and vehicle bridge for vehicle ingress/egress; a publicly accessible alternative fueling station; the Central Cash Counting Facility (CCCF); and, the reuse and expansion of the existing Material Support and Services Center (MSSC) Building 1. (Attachment A);
- B. Approve the Union Division Bus Maintenance and Operations Facility ("proposed Project");
- C. Increase the life-of-project budget (LOP) for the proposed Project by \$90,053,000, increasing the LOP from \$4,947,000 to \$95,000,000;
- D. Amend the FY09 Facilities-Operations budget, Cost Center 3340, to add \$9,450,000 of revenues and expenses and two full-time equivalent (FTE) positions for a Project Manager and Senior Engineer for project management and engineering support; and,
- E. Authorize the Chief Executive Officer to file a Notice of Determination of the IS/MND with the Los Angeles County Clerk (Attachment B).

ISSUE

In June 2008, staff presented to the Board a Receive and file report summarizing the results of a *Bus Division Capacity Assessment Report*. The results of that assessment identified three major factors which significantly impact our bus operations: insufficient bus division capacity, inadequate infrastructure investment, and increased ridership growth. Bus division management staff also identified that space constraints are at the root of many problems plaguing our bus divisions, including poor circulation of buses, inadequate parking and building space. Compounding the problem is that our divisions were designed for standard size buses (40-feet in length) whereas our present fleet configuration consists of 40-, 45- and

60-foot buses. We have no available capacity system wide to support the new buses anticipated over the next three years. In 2008 alone, there is a current storage deficit of 249 buses to meet ridership demands without consideration of longer term growth requirements. By 2011, we will acquire 161 additional 40-foot equivalent buses creating an operating storage need for 410 buses, further exacerbating the existent capacity problem. Due to all of these issues, significant investment in our bus operations and maintenance facilities, including the construction of two new divisions, is required in the very near future.

To meet the demand for additional space of 410 bus equivalents by 2011, staff proposed two new bus divisions - Union and LAX. Of these two divisions, the Union Division is the top priority due to its location, its inclusion in the 2008 Long Range Transportation Plan (LRTP) and its perfect location to accommodate the new operating requirements of our proposed pilot congestion pricing program. If the proposed Project is not built, we would be unable to efficiently operate the proposed 63 high-capacity buses planned for the demonstration project. The Union Division is also in a central location which will reduce deadhead costs, has recently completed the environmental process, and the property is owned by us thereby reducing site costs. In addition, the central location of Union Division saves approximately 21,700 annual hours in reduced deadhead, equating to an annual savings of approximately \$1,700,000 per year.

Staff previously prepared a *Union Division Conceptual Design Report* (CDR) that determined the proposed Project's layout of the functional elements. As currently planned, the proposed Project will be located on an approximate 8.25 acre site using all of the Terminal 31 facility, a portion of MSSC, and the required vacation of Lyon Street that passes through Terminal 31 and MSSC (Attachment C). These properties are generally located at the intersection of Cesar Chavez Avenue and Vignes Street. Currently, Terminal 31 is used as a temporary layover facility and area for bus and truck instruction. These functions would temporarily move to our Temple/Beaudry location and proposed 410 Center Street, respectively.

The CDR also contained a conceptual drawing for the proposed Project (Attachment D). The proposed Project will house and operate a mixed fleet of approximately 200 compressed natural gas buses, and will be constructed to accommodate 40-, 45- and 60-foot articulated buses. The Project will include three levels of bus and automobile parking, an administrative building, maintenance shop and all associated maintenance equipment. We are also incorporating a publicly accessible alternative fueling station and the CCCF into the Project. The facility was conceptually designed to achieve a Leadership in Energy and Environmental Design (LEED) Silver Rating and will be a modern, sustainable and aesthetically attractive facility.

POLICY IMPLICATIONS

The 2008 LRTP includes the Union Bus Division in the Recommended Plan with a Revenue Operations Date (ROD) of 2010. A total of \$85 million was reserved for the proposed Project's capital costs in the LRTP in 2010.

Approving the proposed Project would be consistent with our 2008 L RTP and result in many operating efficiencies primarily by increasing bus capacity and keeping buses closer to their service routes. Although staff has pursued means to reduce deadhead costs, all bus divisions are over capacity and there is little flexibility. Our recent *Bus Division Capacity Assessment Report* showed that operating bus divisions above capacity results in costly inefficiencies in maintenance and operating costs.

The proposed Project would result in constructing a new bus division that would relieve the capacity constraints we are currently experiencing and allow us to relocate routes to Union Division and efficiently meet the demands of our future ridership and ongoing efforts to improve the service we operate.

OPTIONS

Staff considered two alternatives to relieve overcrowding: 1) expand existing bus divisions; or, 2) locate land to construct new bus divisions. The first option is difficult and largely infeasible as existing bus divisions are landlocked, and there are no opportunities to acquire additional land at the divisions located in Downtown or the Westside, where the additional capacity is most needed. Therefore, staff recommends the latter alternative since we have located this site owned by us for constructing the proposed Project. The proposed property is located in an extremely desirable Downtown location for bus operations since it is located adjacent to our headquarters and the Patsaouros Transit Plaza, which is also the proposed Downtown terminus of the I-10 demonstration project. As mentioned above, construction of the facility will save us approximately \$1.7 million per year in operating expenses due to its efficient location in Downtown.

FINANCIAL IMPACT

Funding of \$3,250,000 is included in the FY09 budget in cost center 3340 Facilities Contracts and Administration, Union Division capital project (CP) #202001, to continue the planning, environmental clearance and preliminary design. An additional \$9,450,000 of revenues and expenses will be added to the FY09 budget in cost center 3340 and two FTE's will be added to the FY09 budget in cost center 3344 for CP202001 to complete the planning activities, complete the final design drawings and construction documents, start early construction work including vacation of Lyon Street, and advertise and procure the primary construction contract.

This action will increase the funding to the Union Division Capital Project 202001 by \$90,053,000 to a new life-of-project (LOP) budget of \$95,000,000. The proposed project will be funded with a combination of Proposition 1B (Prop1B) PTMISEA funds and Transportation Development Act (TDA4). A separate action item will be brought to the Board to program the Prop 1B funds to this bus transit project.

The cost of the requested FTEs is included in the LOP budget and is estimated to be \$250,000 per year, including fringe benefits. Upon adoption of the new LOP, the cost center manager and Chief Operations Officer will be responsible for budgeting this cost in future

fiscal years. See Attachment E for a detailed breakdown of the uses and sources of the funding.

BACKGROUND

Bus operating and maintenance facilities are one of the key components of our asset mix; however, we have not built a new bus division since 1984. In addition, due to funding shortfalls, we have deferred necessary capital investments at existing bus divisions. Degraded capital elements at the bus divisions include: aging facilities; obsolete technology with inefficient energy/power consumption requirements; higher maintenance costs; no capability to expand facilities or fleets due to space and land constraints; deferred upgrades; and, site location issues. Bus divisions are critical for ensuring service reliability to our customers. However, as our fleet expanded, we have not invested in property acquisition for bus divisions as part of our fleet expansion. It is evident that investing in bus division capacity is a key factor in the success of future bus operations. Improvements and system wide capacity increases are required to operate the bus fleet, accommodate future planned/mandated bus procurements, and provide for efficiency in operating and reducing deadhead costs.

Recently, the Service Planning & Development Department conducted a “No Restriction Division Capacity” simulation using Hastus 2007 scheduling software to determine where additional bus parking capacity was required. Service Planning used the data and converted the actual number of buses allocated to each division to a 40-foot equivalent. The simulation indicated that additional capacity is needed in Downtown. The proposed Project at this site would enable us to increase efficiency of the total system by having an additional operating base in the central business area. Bringing Union Division on line will begin to relieve our capacity issue.

In May 2006, the initial LOP was established for completing conceptual designs, environmental clearance and preliminary engineering. At the time of that action, staff informed the Board that we would return with a final LOP budget and funding plan for constructing the new facility upon completing the environmental clearance activities. Preliminary cost estimates were completed as a part of the conceptual planning process, and the total estimated cost to complete the facility (including all hard and soft costs) is approximately \$95 million. This LOP also includes incorporating the proposed \$5 million CCCF into the total Project cost. During the 100% design, staff will utilize value engineering and best management practices to ensure accurate, complete and coordinated final construction documents as well as to lower these costs as practically feasible.

The proposed Project will be constructed under a separate Design-Bid-Build (D/B/B) Contract. Under the D/B/B process, it is required that the construction bid documents include approved construction documents. Staff's plan is therefore to engage an architecture and engineering (A/E) firm to provide the necessary construction documents, construction administration and preparing record drawings as the engineers of record. This procurement is in process and is scheduled for Board review of the contract action in October 2008.

Mandatory Findings of Significance and Recommended Mitigations under CEQA

The California Environmental Quality Act (CEQA) requires that our Board read and consider the information contained in an Initial Study/Mitigated Negative Declaration (IS/MND) before making a decision on a project and that the Board certify that the IS/MND was presented to the Board, which reviewed and considered the IS/MND before approving the Project.

Staff conducted the public review process with the September Board agenda preparation cycle. A Notice of Intent for the proposed Project was issued on August 22, 2008. The IS/MND was made available for public review for a period of 20 days. The public comment period began officially on August 22, 2008 and would end on September 11, 2008. All comments from agencies or interested parties received during the comment period will be considered as part of our determination on the IS/MND and the proposed Project. Another opportunity for the public to provide input will be at the September 25, 2008 Board Meeting.

The IS/MND analyzed 16 environmental factors that could be potentially affected by the project, including mandatory findings of significance. Each category was evaluated as to how the proposed Project could impact the existing environment. Due to the limited potential for environmental impacts, the IS/MND determined that the proposed project would not have a significant adverse effect on the environment and does not require the preparation of an Environmental Impact Report. This is because the proposed Project has no potentially significant impacts after mitigation. With the inclusion of mitigation measures for Aesthetics, Air Quality, Cultural Resources, Geology Hazards and Hazardous Materials, Noise, Public Services and Transportation/Traffic, the proposed Project will not have any significant adverse effect on the environment.

Our environmental document was prepared as a joint document for compliance with the National Environmental Policy Act (NEPA) as well as CEQA. The NEPA portion of this document is included for reference and is also concurrently being considered by the Federal Transit Administration in regards to using federal funds for the proposed Project.

NEXT STEPS

- Any comments received from the public review period will be resolved prior to Board approval of the IS/MND. Responses will be provided to the Operations Committee and at the Board meetings. Staff will file a Notice of Determination with the Los Angeles County Clerk.
- Upon approval of the proposed Project, staff will continue negotiations with the selected A/E Service consultant and return to the Board for approval in October 2008. The schedule calls for completion of all design activities by August 2009.
- Staff plans to issue the construction Request for Proposal by November 2009, start construction in early 2010 and finish construction by late 2011.

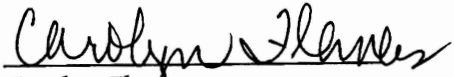
- A temporary bus layover facility at our Temple/Beaudry location will be ready for use by Bus Operations Control in March 2009. Once the 410 Center Street lease is approved, we will start improving that site as required for use by our Office of Central Instruction by March 2009.

ATTACHMENTS

- A. Union Division Bus Maintenance & Operations Facility Project IS/MND
- B. Union Division Bus Maintenance & Operations Facility Project NOD
- C. Union Division Site Plan
- D. Union Division Conceptual Drawing
- E. Union Division Funding/Expenditure Plan

A copy of the Attachment A is available upon request.

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



Carolyn Flowers
Chief Operations Officer



Roger Snoble
Chief Executive Officer

ATTACHMENT A

Initial Study/Mitigated Negative Declaration
for the

UNION DIVISION BUS MAINTENANCE AND OPERATIONS FACILITY

AVAILABLE UPON REQUEST

Notice of Determination

Appendix D

To:

Office of Planning and Research
 For U.S. Mail: _____ Street Address: _____
 P.O. Box 3044 1400 Tenth St.
 Sacramento, CA 95812-3044 Sacramento, CA 95814

County Clerk
 County of: Los Angeles
 Address: 12400 Imperial Highway
Norwalk, CA 90650

From:

Public Agency: Los Angeles County Metropolitan Transportation Agency
 Address: One Gateway Plaza, Mail Stop: 99-18-2,
Los Angeles, CA 90012
 Contact: Manuel Gurrola, Project Manager
 Phone: 213-922-2889

Lead Agency (if different from above): _____
 Address: _____
 Contact: _____
 Phone: _____

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): N/A

Project Title: Metro Union Division Bus Maintenance & Operations Facility

Project Location (include county): Northeast & southeast corners of Vignes St./Cesar E. Chavez Ave., Los Angeles, Los Angeles County, CA 90012

Project Description:

The proposed project would develop an approximately 358,575-square-foot public facility including a three-story parking structure, an upward spiral circular structure and vehicle bridge, a Central Cash Counting Facility (CCCF), a public access Compressed Natural Gas (CNG) facility, and the re-use and expansion of the existing Metro Regional Rebuild Center (RRC) Building 1. In addition to over 417 employee vehicles, the proposed project would accommodate 200 Metro buses.

This is to advise that the Los Angeles County Metropolitan Transportation Agency has approved the above described project on _____
 Lead Agency or Responsible Agency

September 25, 2008 and has made the following determinations regarding the above described project:
 (Date)

1. The project [will will not] have a significant effect on the environment.
2. An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
 A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [were were not] made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan [was was not] adopted for this project.
5. A statement of Overriding Considerations [was was not] adopted for this project.
6. Findings [were were not] made pursuant to the provisions of CEQA.

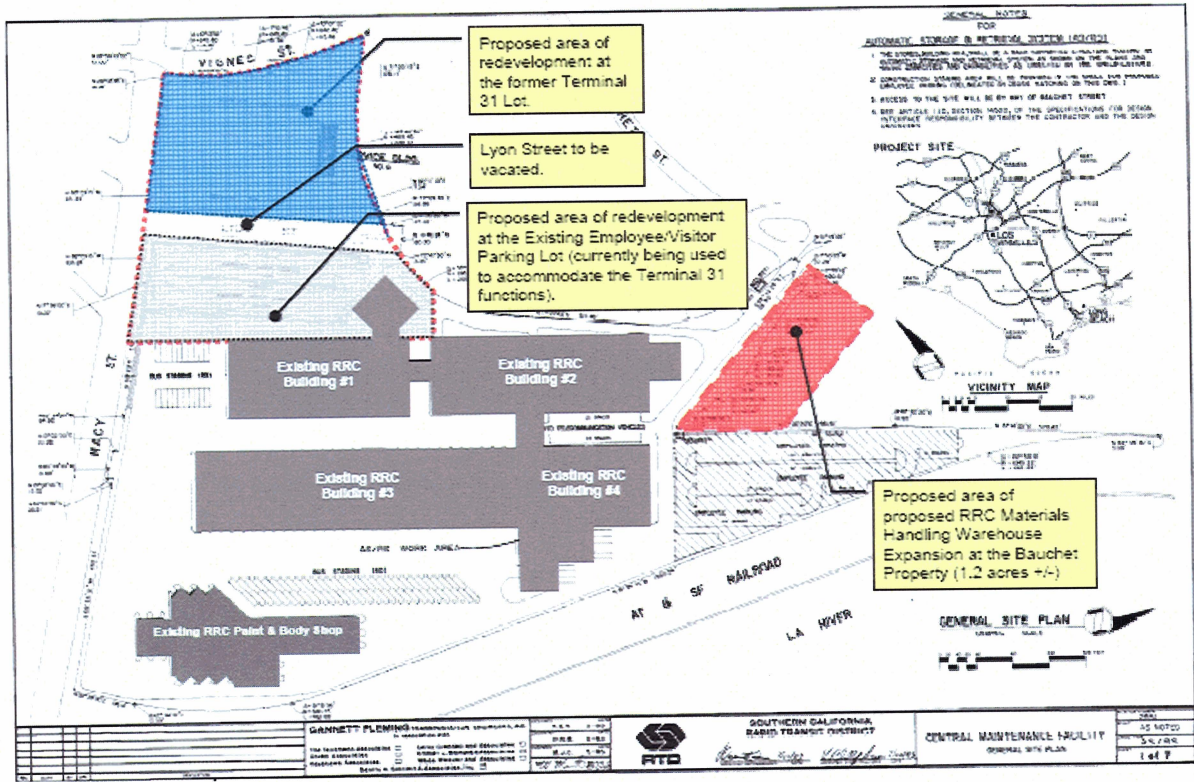
This is to certify that the final EIR with comments and responses and record of project approval, or the negative Declaration, is available to the General Public at: Los Angeles County Metropolitan Transportation Agency, One Gateway Plaza, Los Angeles, CA 90012

Signature (Public Agency) _____ Title Project Manager

Date September 25, 2008 Date Received for filing at OPR _____

ATTACHMENT C

Union Division Site Plan



ATTACHMENT D

Union Division Conceptual Drawings

Site Prospective Model

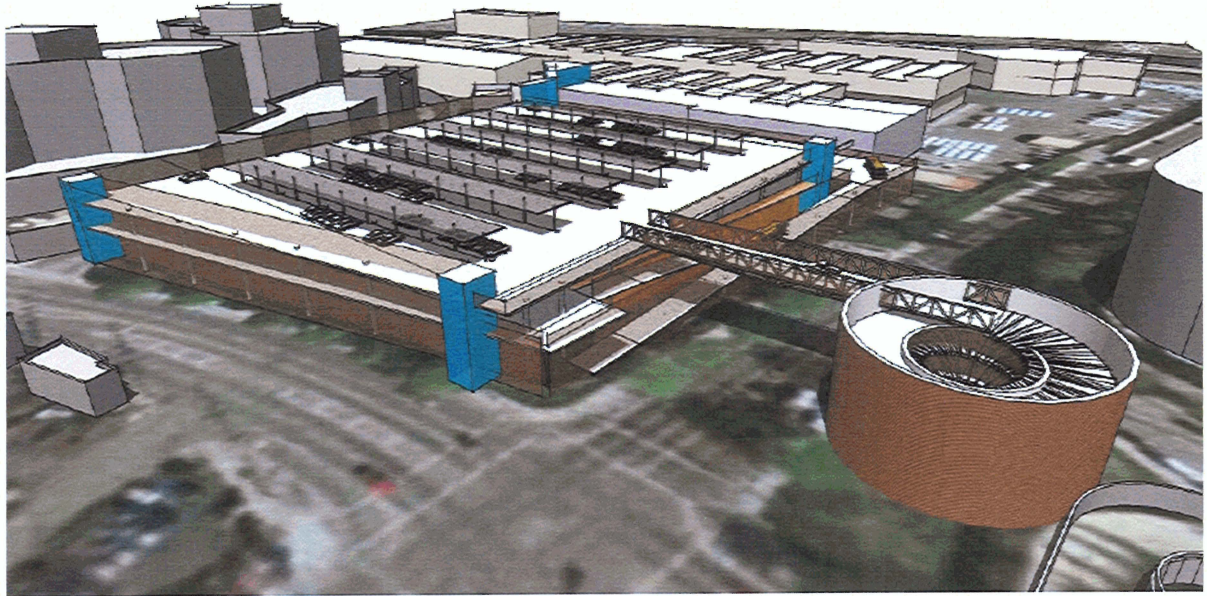


Figure 1: Aerial view of Site Massing from USG Building

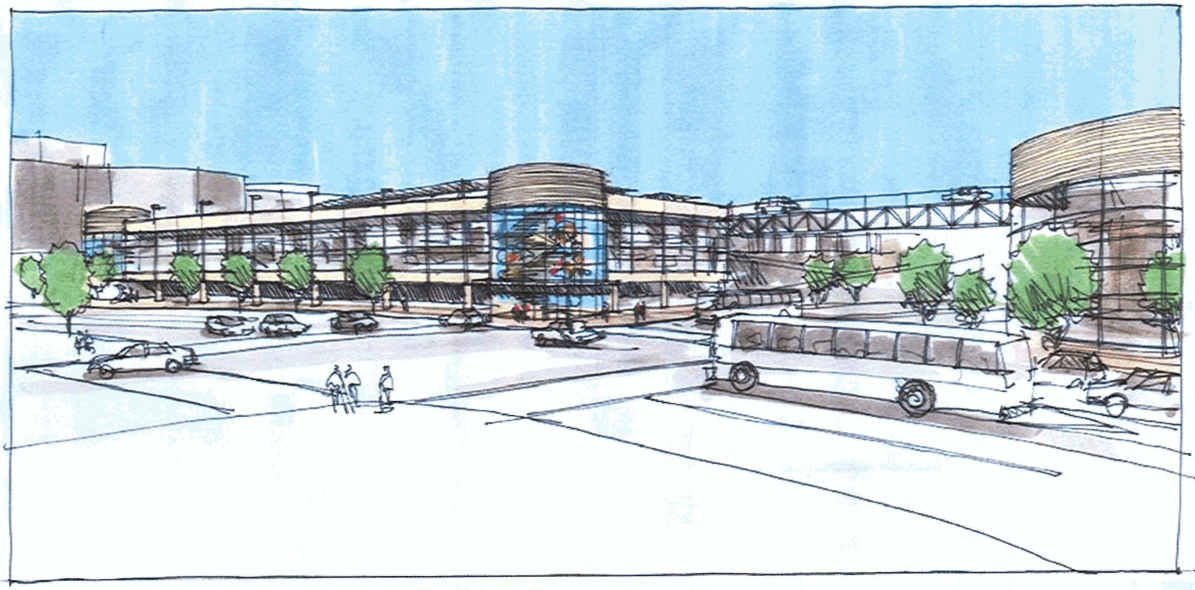


Figure 2: Artists Conceptual Rendering of Facility from corner of Cesar Chavez and Vignes

ATTACHMENT E
CP 202001 Union Division
Funding/Expenditure Plan

Dollars in (000's)	FY08 Incurred to date	FY09 Forecast	FY10	FY11	FY12+	Total	%
Uses of Funds							
Project Adm/Construction Mgmt	582	950	1,400	1,400	618	4,950	5.21%
Design/Specs/Other Prof Svcs	0	5,250	1,350	1,000	875	8,475	8.92%
Construction/Equipment	0	5,750	26,000	32,500	12,197	76,447	80.47%
Contingency	0	750	1,250	1,750	1,378	5,128	5.40%
Total Project Cost	582	12,700	30,000	36,650	15,068	95,000	100%
Sources of Funds							
Prop 1B	582	12,700	30,000	31,650	10,068	85,000	89.47%
TDA-4	0	0	0	5,000	5,000	10,000	10.53%
Total Project Funding	582	12,700	30,000	36,650	15,068	95,000	100%

Sources of funds to be finalized by OMB / Grants

Note: Current Grants Mgmt reports show LOP funding at \$85.0M. Excess funds required for \$95M LOP to be TDA-4