



Los Angeles County
Metropolitan Transportation Authority

Metro News

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FOR IMMEDIATE RELEASE

Key Milestone in the Path Toward Federal Funding

FTA Approves L.A. Metro's Request to be Reimbursed for Early Work Activities for Purple Line Extension Section Three

The Federal Transit Administration this week approved the Los Angeles County Metropolitan Transportation Authority's (Metro) request to be reimbursed for early work activities for Section Three of the Purple Line Extension Project between Century City and the Westwood/VA Hospital.

The approval also clears the way for Metro to take advantage of highly competitive tunnel contract bids, which have come in lower than expected and would save the project an estimated \$130 million. These tunneling bids were at risk to expire on October 3, 2018. Additionally, the FTA's approval avoids the need to rebid the tunnel contract, saving an additional \$200 million in projected escalation costs and nearly two years of project delay.

The "Letter of No Prejudice" (LONP) permits the agency to incur costs on a project using non-federal resources with the understanding that the costs incurred after the letter's approval may be reimbursable to Metro if the project is chosen for federal funding later. The LONP will take effect upon FTA's final review of technical refinements to the project, which are being finalized by Metro. Metro will then issue a Notice to Proceed to the contractor, Frontier-Kemper/Tutor Perini Joint Venture, which has agreed to extend its bid price to December 3, 2018 to accommodate FTA's final environmental review.

FTA's actions mark an important step in the path to ultimately secure a Full Funding Grant Agreement for the Purple Line Extension Section Three. In August, Section Three was cleared to enter the engineering phase of the FTA Capital Investment Grants Program. Two earlier subway extension sections have already received federal funding. Metro is now seeking a \$1.3-billion grant for Section Three through the FTA's New Starts Program and anticipates a grant agreement will be forthcoming in early 2019.

“Metro is now one step closer to extending the Purple Line subway all the way to West Los Angeles thanks to a positive working relationship with our federal funding partners,” said L.A. County Supervisor and Metro Board Chair Sheila Kuehl. “I want to thank FTA Acting Administrator K. Jane Williams and her staff for their commitment to advancing this project and for helping to bring a comprehensive public transportation system to L.A. County.”

Overall, Metro’s revised Letter of No Prejudice, submitted to the FTA on August 30, reduced the agency’s ask from \$786 million for early work activities to \$492 million based on favorable tunneling contract bids and other project efficiencies.

“L.A. Metro is working hard to complete all three phases of the Purple Line Extension Project prior to the 2028 Olympics, seven years ahead of schedule,” said U.S. Senator Dianne Feinstein. “I intend to make sure the federal government continues to be a good partner in this effort and helps keep the project moving forward as we prepare to welcome the world to Los Angeles.”

The Purple Line Extension’s first two sections are under construction between Wilshire/Western and Century City. When all three sections are complete, the subway extension will travel approximately nine miles underground between Koreatown and Westwood. Major construction of the first section between Koreatown and Beverly Hills began in 2015.

“Thanks to L.A. County taxpayers, we already have the local dollars we need to pay the lion’s share of this regionally significant mega-project,” said Metro CEO Phillip A. Washington. “Working closely with the FTA, we can leverage our significant local investment with the precious resources of the federal government to deliver one of the most competitive and beneficial public transit projects in America today.”

Construction of the second section between Beverly Hills and Century City started in 2017. Section Three, scheduled to begin construction in 2019, will complete the subway to Westwood. The entire line is on track to open by 2026, in time for the 2028 L.A. Olympic and Paralympic Games in Los Angeles.

About Metro

The Los Angeles County Metropolitan Transportation Authority (Metro) is unique among the nation’s transportation agencies. Created in 1993, Metro is a multimodal transportation agency that transports about 1.3 million passengers daily on a fleet of 2,200 clean air buses and six rail lines. The agency also oversees bus, rail, highway and other mobility-related building projects and leads transportation planning and programming for Los Angeles County.

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