Los Angeles County Metropolitan Transportation Authority



News

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L.A. Metro Releases its Recommendation to Contract with Two Private Sector Teams for Predevelopment Work on the Sepulveda Transit Corridor Project

The Los Angeles County Metropolitan Transportation Authority (Metro) today released its recommendation for two private sector teams to conduct predevelopment work to advance the Sepulveda Transit Corridor Project, a massively complex transportation project to directly connect the San Fernando Valley and the Westside via a high-speed, high-capacity transit line.

In March, Metro will ask its Board of Directors to approve two multi-million-dollar contracts to perform these services.

Two different fixed guideway technologies will be further developed as possible transit solutions for the corridor. Metro is recommending LA SkyRail Express for its proposed monorail concept and Sepulveda Transit Corridor Partners – Bechtel for its proposed heavy rail concept. Both proposals present various benefits and trade-offs and will be refined further based on public feedback and the environmental review process moving forward.

At its sole discretion, Metro retains the ability to move forward with one of the private sector teams, if any, if its transit concept is ultimately chosen as the project's locally preferred alternative, or LPA.

"By announcing our intent to award these contracts, we have reached a significant milestone in our efforts to envision, design, and develop the United States' first Pre-Development Agreement specifically for a public transit initiative," said Metro CEO Phillip A. Washington. "As we work diligently to create a world-class transportation system here in the Los Angeles region, we will also be creating a new market for infrastructure innovation that can potentially help us build the most challenging project Metro has ever built." One of the private sector teams may have an opportunity, after the LPA is selected and once project development is complete, to submit a proposal to build the line, potentially accelerating construction and improving project performance.

Metro has long sought to pursue an innovative partnership model known as a Pre-Development Agreement to enable early contractor involvement in the project. It allows for innovations in design, engineering, construction approach, financing and operations.

Under this unique project delivery approach, Metro aims to bring the expertise and creativity of the private sector to the table early, when critical design and engineering decisions can have the greatest impact on the project's ultimate success.

After selection of the LPA by the Metro Board, Metro would have the opportunity to invite the successful partner team, if any, whose solution aligns with Metro's LPA to submit a proposal to deliver the project, likely through a public-private partnership. Metro would also retain the right to pursue a different project development and delivery path.

After contracts are awarded, Metro will review both proposed concepts as part of its environmental review process starting this fall. Public input is a critical component and will be solicited and collected for all alternatives studied during the environmental review period.

Metro originally issued an RFP for predevelopment work in October 2019. Four prospective teams submitted proposals for Metro's PDA contract opportunity, representing strong private sector interest in the project. The recommended firms committed to meet Metro's Disadvantaged Business Enterprise, or DBE, goals in the Request for Proposals.

The Sepulveda project is funded in part by Measure M, the transportation sales tax approved by Los Angeles County voters in 2016. The total project will receive \$9.5 billion in funding from Measure M and other local, state and federal sources. Moving forward with the PDAs best position Metro to accelerate the project.

For additional project information, visit https://www.metro.net/projects/sepulvedacorridor/.

About Metro

The Los Angeles County Metropolitan Transportation Authority (Metro) is currently providing lifeline service for essential trips and frontline workers. Metro continues building the most ambitious transportation infrastructure program in the United States and is working to greatly improve mobility through its <u>Vision 2028 Plan</u>.

Metro has proudly pledged to the American Public Transportation Association (APTA) Health and Safety Commitment Program to help ensure the safe return of transit riders as the U.S. recovers from the COVID-19 pandemic.

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