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REVISED

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PLANNING AND PROGRAMMING COMMITTEE

MARCH 16, 2005

CONSTRUCTION COMMITTEE

MARCH 17, 2005

**SUBJECT: FUNDING FOR DEFERRED ITEMS RELATED TO METRO GOLD LINE
EASTSIDE EXTENSION**

**ACTION: APPROVE FUNDING FOR DEFERRED ITEMS AND
AUTHORIZE RELATED ACTIONS**

RECOMMENDATION

Authorize the following actions:

- A. Approve funding of \$4 million in local Proposition C 10% bond funds and \$14 million of **available** federal, ~~Congestion Mitigation and Air Quality Improvement (CMAQ)~~ state, and/or local funds for eligible deferred elements of the Metro Gold Line Eastside Extension including:
 - 1. Additional traction power substations
 - 2. Additional ticket vending machines
 - 3. **Possible P**parking structure at Pomona Boulevard and Atlantic Boulevard
 - 4. **Urban design enhancements including, but not limited to, P**pedestrian safety, landscaping and multi-modal interface elements next to each station, portals, **catenary, station** and power substations.
- B. Establish a new project (800288) and adopt a life of project budget of \$18 million for the items listed above.
- C. Amend the FY05 Budget to add \$450,000 for FY05 expenditures.

ISSUE

At its September 23, 2004 meeting, the Board of Directors approved a motion directing the CEO to report back regarding the availability of funding to reprogram the deferred project elements for the Metro Gold Line Eastside Extension. These elements had been deferred at the time that the project budget was established in early 2004 due to higher than anticipated

construction bids. There are projected to be insufficient funds in the Eastside Extension project contingency to cover these deferred elements.

POLICY IMPLICATIONS

The Board previously has directed that deferred items for the Eastside Extension be restored, as available funding is identified. This action will restore items previously deferred from the Metro Gold Line Eastside Extension budget and create a separate project and budget to accomplish them.

OPTIONS

The Board could choose to pursue the following options related to funding for the work elements related to the Eastside Extension:

1. Defer a decision on providing funding. This option is not recommended, as a delay could increase the cost of the pedestrian safety landscaping and multi-modal interface elements and parking structure. The related design effort is currently underway, and it would be more cost-effective to now incorporate these items. Also, an option to procure the ticket vending machines at a lower price will expire in April 2005. Lastly, there would be economies of scale if the additional traction power substations were ordered concurrently with the base buy, instead of a separate procurement later.
2. Do not approve funding for the work elements. This option is not recommended, as the proposed work elements will improve the functionality and aesthetics of the Eastside Extension.

FINANCIAL IMPACT

Approval of this action will authorize staff to create a new Metro Gold Line Eastside Extension Enhancement project (800288) with a life of project (LOP) budget of \$18 million. The recommended funding for this project is \$4 million in local Proposition C 10% and \$14 million in **available federal, CMAQ allocations state, and/or local funds**.

The local funding proposed would include Proposition C 10% bond funds, which may be used for commuter rail, transit centers, park-and-ride lots and freeway bus stops. Sufficient capacity exists to use Proposition C 10% funds and not impact existing policy parameters or annual cash allocations of Proposition C 10% funds.

~~CMAQ funds of \$14 million are also being recommended for restoring the deferred items from the Metro Gold Line Eastside Extension. On January 5, 2005, Caltrans informed the statewide Regional Transportation Planning Agencies that Federal Fiscal Year (FFY) 2004 CMAQ funding was higher than previous estimates. Los Angeles County has been allocated \$149 million of CMAQ funds in FFY 2004, which is about \$40 million higher than previous targets that Caltrans has identified. The additional CMAQ funding results from Congress appropriating Supplemental Minimum Guarantee funds. Therefore, we can comfortably program this additional funding without impacting existing commitments. We will make~~

~~separate recommendations in other Board reports for the use of the remaining supplemental CMAQ funds.~~

This recommendation would amend the FY05 Budget to add \$450,000 to Project #800288, Cost Center 8510, Construction Contracts. As this is a multi-year project, the project manager will be responsible for budgeting needed amounts in future years.

DISCUSSION

At the April 22, 2004 meeting, the Board approved a motion that directed staff to implement the following items, as prioritized below, when funding from project contingency became available:

1. Additional traction power substations
2. Additional ticket vending machines
3. **Possible** 200 space parking structure at Pomona Boulevard and Atlantic Boulevard
4. **Urban design enhancements such as, but not limited to,** pedestrian safety, landscaping and multi-modal interface elements next to each station, portals, **catenary, station** and power substations.

These items had originally been included in the project budget, but were deferred when the project budget was established in 2004, due to higher than anticipated construction bids.

Since that time, staff has been working with Eastside LRT Constructors to determine pricing information that would help us implement these deferred elements at a future date. While the costs are subject to final negotiations with the contractor and the timing of the notice to proceed, staff believes that \$18 million will be adequate to cover the cost of the proposed elements, if the Board approves funding in early 2005. While it was originally hoped that there would be sufficient funds in the Eastside Extension project contingency to cover the cost of these elements, that will not be known for some time.

At the September 23, 2004 meeting, a Board-approved motion directed the CEO to report back regarding the availability of funding to reprogram the deferred project elements for the Eastside Extension. If supplemental funding for these elements is approved, a separate project will be established outside of the Eastside project budget.

NEXT STEPS

If supplemental funding is approved for the Eastside Extension deferred elements, ~~we~~ **staff** will negotiate with Eastside LRT Constructors to obtain a final price and execute the necessary changes to Contract C0803. For the additional ticket vending machines, an option will be exercised under Universal Fare System Contract OP-024610-10.

Staff also will report back to the Board with the most cost-effective approach to providing additional parking at the Pomona/Atlantic Station.


ATTACHMENT

A. Expenditure/Funding Plan

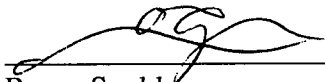
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Attachment A

**Metro Gold Line Eastside Extension Enhancements
Funding/Expenditure Plan
(\$000)**

	FY05	FY06	FY07	FY08	FY09	TOTAL	% of Total
Uses of Funds							
Systems	250	3,400	1,900	1,100	600	7,250	40.3%
Stations	200	4,250	3,500	2,100	700	10,750	59.7%
Total Project Cost	450	7,650	5,400	3,200	1,300	18,000	100.0%
Sources of Funds							
Prop C 10%	52	1,000	2,000	948	-	4,000	22.2%
Congestion Mitgation and Air Quality	398	6,650	3,400	2,252	1,300	14,000	77.8%
Total Project Funding	450	7,650	5,400	3,200	1,300	18,000	100.0%