



**Metro**

Metropolitan Transportation Authority

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**OPERATIONS COMMITTEE  
MARCH 17, 2005**

**SUBJECT: NEW DIVISION 9 TRANSPORTATION BUILDING AND FACILITY  
IMPROVEMENTS PROJECT**

**ACTION: APPROVE INCREASE TO THE LIFE OF PROJECT BUDGET**

**RECOMMENDATION**

Increase the Life of Project for the New Division 9 Transportation Building and Facility Improvements Project by \$8,495,000, increasing the Life of Project Budget from \$8,005,000 to \$16,500,000.

**RATIONALE**

The New Division 9 Transportation Building and Facility Improvements Life of Project (LOP) budget of \$8,005,000 was approved by the Board at the time of FY05 budget approval in June 2004. However, in February 2004 Metro was appropriated additional Federal 5307 funding for the project by the Bus Operations Subcommittee. The additional funding was requested from BOS to supplement the funding already available for the first phase of the El Monte Master Plan, which includes improvements to the maintenance facilities and construction of a new state-of-the-art Transportation building.

Since BOS funding is allocated to Metro on a Federal fiscal year basis, the additional BOS funding of \$5,730,769 was not available to Metro until October 2004. As such, the additional funding was not added to the LOP during budget approval in June 2004, and the LOP must now be adjusted to reflect the additional BOS funding. This LOP increase request also includes 15% construction contingency and additional funding authorization Metro expects to receive in the FY06 BOS grant process for completion of Phase I of the El Monte improvement project.

The existing Division 9 bus operations and maintenance facility serves the San Gabriel Valley and eastern Los Angeles bus routes as well as Metro buses utilizing the El Monte Busway. The facility is located within a designated redevelopment area of El Monte. The Division 9 facility was constructed in 1974 and has a current fleet of 192 buses. The current building improvements are 20 years old and additional maintenance and storage capacity will be needed in the future to accommodate forecasted fleet growth and increase operational efficiency. Implementation of the El Monte Master Plan, a cooperative effort

between the City of El Monte, CalTrans and Metro, is a response to this issue, as expansion of this facility to a fleet of up to 300 modern CNG coaches will be required to accommodate forecasted fleet growth through at least 2010.

As initial elements, or Phase I, of the master plan, Metro completed improvements to the Division 9 maintenance building (new battery shop, tire shop, brake shop, storage canopy), and also completed preliminary design work for a new transportation building at Division 9. The building has been designed to house all Metro transportation functions as well as offices for the San Gabriel Valley Service Sector and a substation for the Los Angeles County Sheriff staff. The proposed Project would construct a new state-of-the-art three-story transportation building designed and constructed in accordance with the United State Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) building system. All preliminary design and planning work has been completed, and it is expected that a design/build contract to complete construction of the building will be ready for award to the successful contractor in April 2005. In September 2002 the Board delegated award authority to the Chief Executive Officer for design/build contracts for construction at Metro facilities. Construction could start in late summer 2005, with a completion date of September 2006.

### **FINANCIAL IMPACT**

This action will amend the Life of Project by \$8,495,000, resulting in an increase from \$8,005,000 to \$16,500,000. The funds for this project will be Prop A 4% bond funds. The funds will be budgeted in the FY06 budget in CP #202014 New Division 9 Transportation Building and Facility Improvements Project in Cost Center 3341.

Since this is a multi-year project, the Deputy Chief Executive Officer is responsible for budgeting funds for this project in the appropriate fiscal years.

### **ALTERNATIVES CONSIDERED**

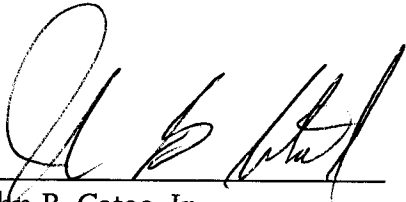
The Board of Directors may choose not to authorize an increase to the life of project budget for this project. This alternative is not recommended for the following reasons:

- Rejection of the LOP increase would prohibit award of the design/build construction contract for construction of a new Transportation Building at Division 9, and Phase I of the El Monte Master Plan could not be completed.
- If the LOP increase is rejected, funding already authorized by the BOS but not added to the LOP in the FY05 budget process cannot be used by Metro, and would have to be reallocated back to BOS for other, potentially non-Metro, project uses.

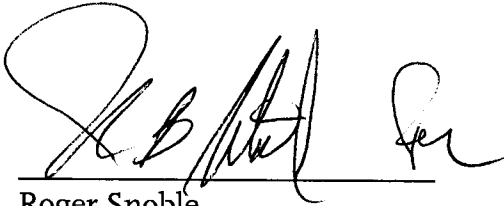
### **ATTACHMENTS**

- A. New Division 9 Transportation Building and Facility Improvements: Life of Project Budget Status

Prepared by: Tim Lindholm, Project Manager, Facilities-Operations



John B. Catoe, Jr.  
Deputy Chief Executive Officer



Roger Snoble  
Chief Executive Officer

Expenses	Plan to Date Expenditures	Encumbrance	Balance of Project Costs	Total Forecasted Expenditures	Board Approved Life of Project Budget	Over/(Under) budget
Acquisitions	\$ 545,700	\$ -	\$ 545,700	\$ 13,147,326	\$ 7,180,000	\$ (5,967,326)
Services	\$ 65,300	\$ -	\$ 65,300	\$ -	\$ -	\$ -
Salaries & Benefits	\$ 826,800	\$ -	\$ 826,800	\$ 1,200,500	\$ 825,000	\$ (375,500)
Contingency (15%)				\$ 2,152,174		\$ (2,152,174)
<b>Total</b>	<b>\$ 1,437,800</b>	<b>\$ -</b>	<b>\$ 1,437,800</b>	<b>\$ 16,500,000</b>	<b>\$ 8,005,000</b>	<b>\$ (8,495,000)</b>

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