


EXPOSITION METRO LINE CONSTRUCTION AUTHORITY

DATE: JULY 14, 2005
TO: BOARD OF DIRECTORS
FROM: RICHARD D. THORPE 
METRO CHIEF CAPITAL MANAGEMENT OFFICER
ACTION: RECEIVE AND FILE

RECOMMENDATION

Receive and File the Exposition Metro Line Light Rail Project Status Report for the period ending June 30, 2005.

SUMMARY

The Los Angeles County Metropolitan Transportation Authority (Metro) is performing environmental studies, preliminary engineering, and developing a comprehensive Design Build procurement. This report describes the status of these activities.

DISCUSSION

Environmental Studies - In June 2001, the Metro Board approved the Draft Environmental Impact Statement/Report for the Mid-City/Exposition Transit Corridor and adopted light rail transit from downtown Los Angeles to Culver City as the Locally Preferred Alternative. Work on the Final Environmental Impact Statement/Report (FEIS/FEIR) commenced in 2002 and in April 2004, an Administrative FEIS/FEIR was forwarded to the Federal Transit Administration (FTA) for review and approval. FTA approval is required before the environmental document can be circulated for public review because the funding plan includes federal formula funds.

The FTA requested a number of changes in September 2004, and these revisions were incorporated into the Administrative FEIS/FEIR which was resubmitted to FTA in December 2004. However, in February 2005, the FTA advised the Metro that further changes in the FEIS/FEIR would be required prior to public circulation. These changes had to do with the transportation forecast modeling contained in the document and the "project rating" which is assigned to all projects competing for funding under the Federal New Starts (Section 5309) program.

In order to avoid the significant amount of time necessary to address these new requirements and the resultant additional project cost escalation, the Metro Board approved a full funding plan that did not include FTA New Starts funds. Metro has conferred with the FTA to reach an understanding on a streamlined approach for the required FEIS/FEIR work and expects to resubmit this document this month. FTA approval is anticipated in August and the document will then be released for public review. Meetings to brief the community(s) will then be conducted to solicit community input and formal public comment. The FEIS/FEIR is scheduled for certification and adoption by the Metro Board of Directors in October and an FTA Record of Decision (ROD) for the project will be requested at that time. FTA action is expected to occur in the November/December, 2005 timeframe.

Preliminary Engineering - Work on preliminary engineering was initiated in January 2003 through the services of the PE Design Consultant (DMJM+Harris). Currently, sufficient PE designs and analysis to support the environmental review process have been prepared in accordance with FTA guidelines. This includes right-of-way drawings, track plans and profiles, preliminary traffic analysis, operational and fire/life safety criteria development. Anticipated design efforts in the coming months will focus on advancing the PE design drawings to a greater detail only where necessary to support critical jurisdictional approvals and major utility relocation. This work is expected to be complete by August 2005.

Design-Build Procurement - The Metro staff and consultants evaluated various contracting and procurement options for the Exposition Metro Line Construction Authority and developed an "augmented" design-build contracting approach to achieve the following objectives:

- (1) Complete a quality design for less than the estimated design cost;
- (2) Create incentives for designing a cost-effective construction project scope;
- (3) Avoid an initial construction bid price that would include high contingency amounts related to unresolved scope issues and third party approvals;
- (4) Provide an equitable process for obtaining an accurate fixed price for construction by negotiating the construction bid price after final design is substantially completed, thereby reducing cost increases and the number and magnitude of change orders.

The proposed contracting approach is currently structured in 2 phases: Phase I will consist of design and related support work, including jurisdictional approvals, and Phase II will consist of project construction, including line segments, stations, and non-vehicle systems.

In October 2004, a Peer Group was convened to provide input into the proposed contracting approach. The Peer Group consisted of construction and capital project directors and officials from four different public transit agencies that have recent experience in developing major new capital projects (Tri-Met in Portland, Oregon; Sound Transit in Seattle, Washington; the New York MTA, and the Regional Transportation

Commission (RTC) of Southern Nevada). Their comments were incorporated into a Procurement Plan that was publicly released for a construction industry review in February 2005. The purpose of this industry review is to solicit comments on the proposed contract key terms and conditions to ensure that the objectives shown above are achieved.

The current schedule for release of the solicitation documents is September 2005, and an award recommendation to this Board is anticipated in January 2006 after receipt of the FTA ROD.

Project Cost Status – From project inception through FY05 (June 30, 2005), the Metro Board has approved a cumulative budget of \$18.3 million for the performance of work described above. Actual expenditures are within this budget. For FY06, the Metro Board has approved an additional \$43.75 million for real estate acquisition, design build contractor mobilization/design and professional services.