

**Board Report**

File #: 2020-0154, **File Type:** Project

Agenda Number: 30.

**CONSTRUCTION COMMITTEE
APRIL 16, 2020**

SUBJECT: WILLOWBROOK/ROSA PARKS STATION IMPROVEMENT PROJECT

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to increase the Life of Project Budget (LOP) Budget for Willowbrook/Rosa Parks Station Improvement Project (CP 210151) by \$18,998,400 from \$109,350,000 to \$128,348,400.

ISSUE

The Willowbrook Rosa Parks Project (WRP) Life of Project (LOP) budget requires an increase of \$18,998,400 in order to pay for increased real estate acquisition costs, construction escalation and 3rd party coordination to complete the project.

BACKGROUND

The Willowbrook Rosa Parks Station is situated at the intersection of the A and C Lines in the Willowbrook community, where over 35,000 passengers pass through the station daily by rail and bus and commuters fill the park and ride lot to capacity, making WRP the fourth busiest station in the entire Metro network. Despite this, WRP has had little community presence with a greater portion of the Station hidden behind a privately-owned shopping center and under the 105 Freeway.

The intent of this project has been to create a more substantial community connection and presence along with a more efficient, intuitive and healthier environment for the station users. The project scope includes the following:

- A new Public Plaza with Customer Service, Security and Mobility buildings providing services unavailable in this area and a strong visual connection to the surrounding community;
- An extended A Line platform and mezzanine with new amenities for efficient transfers and service and to push much of the station out from under the 105 Freeway;
- The installation of new bus bays to improve service;

- A redesigned Park and Ride lot with a new drop-off area

To achieve this full scope of work, Metro required acquisition via eminent domain for a portion of the adjacent shopping center property along with easements and full coordination with 3rd Party entities. Additional expenses for these two components along with construction escalation costs are the basis for the request to increase the LOP.

DISCUSSION

PROJECT SUMMARY:

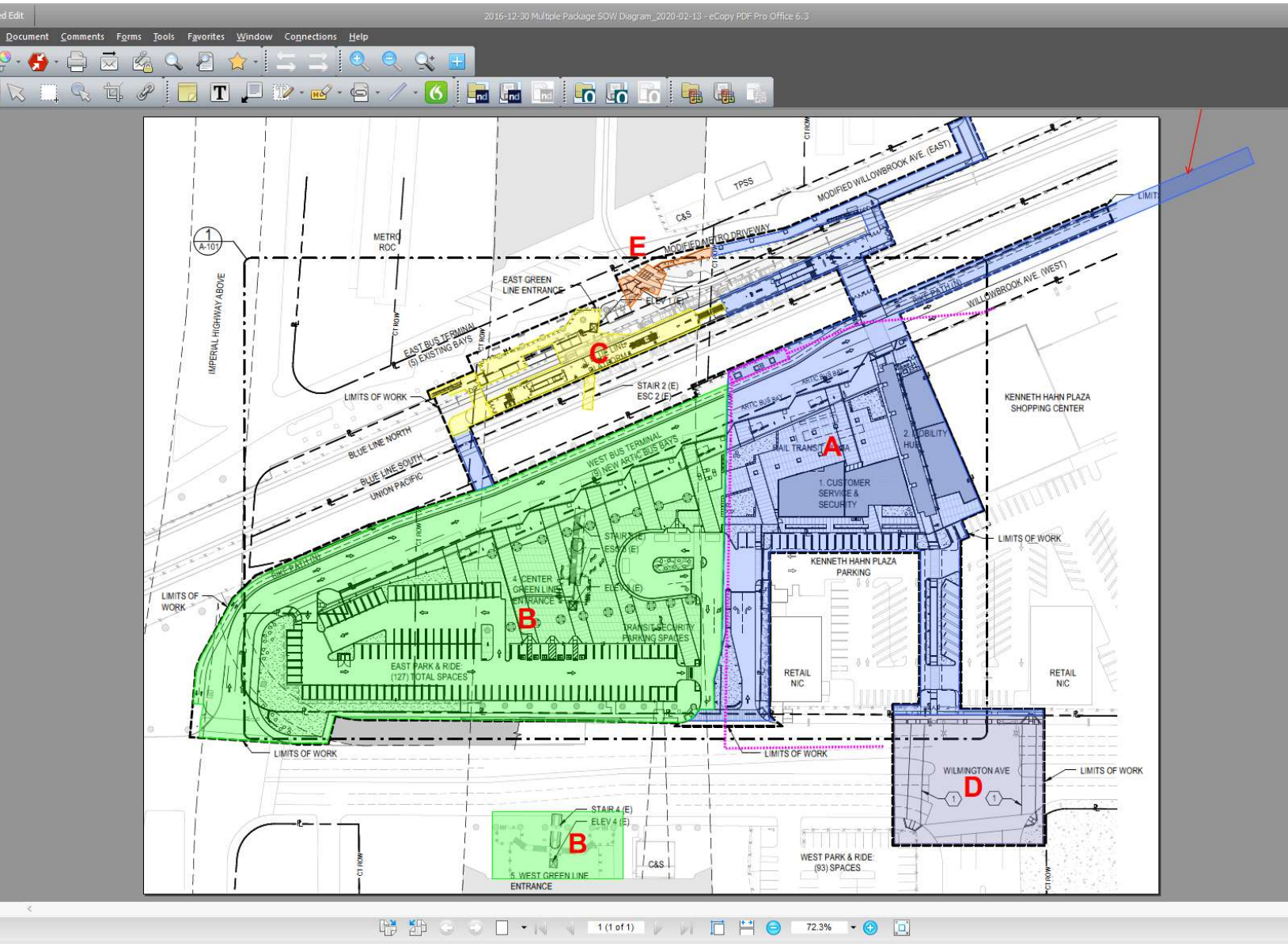
On December 1, 2016 the Board adopted a Resolution of Necessity authorizing the commencement of an eminent domain action to acquire fee and leasehold interests in real property, which consisted of the north section of the existing Kenneth Hahn Shopping Center. The acquisition of the Property was necessary for construction of the Project as it created a prominent area for the public plaza and connected the station to the surrounding community. At the time of this resolution, the appraised fair market value of the property and property interests was estimated at \$3,254,000.

In May 2018, the Board approved the LOP Budget for the Willowbrook Rosa Parks Station Improvement Project (Project) in the amount of \$109,350,000, which included a budget for real estate acquisition of \$6,792,600.

In addition, the design development of the Project was coordinated with several 3rd party agencies including Caltrans, County of Los Angeles and Union Pacific Railroad. Moreover, significant funds were secured, including \$10.25 million from the United States Department of Transportation TIGER VI grant requiring the completion of the Project by Summer of 2021.

With these parameters, the Project Team determined that WRP would be delivered most efficiently per the following:

- WRP would be separated into four main Packages to maintain as much safety and efficiency in the public operations of the Station
- Define the scope of the packages based on the most efficient delivery method with regards to the various 3rd party requirements and deadlines
- Prioritize the Packages to align with the New Blue schedule and public opening.



Per the keyplan above, following is a summary of the Project Packages:

- Early Start Package (Packages E+D) - Installation of preliminary utility work and freeway crosswalk in preparations for the main Packages of the Project. Package scope defined by grant deadlines and coordination with LA County Street Improvements Work.
- Package A - Includes the Public Plaza, Customer Center/Security Building, Mobility Hub

Building, Pedestrian Promenade connecting the new Station to Wilmington Ave and new southern pedestrian crossing to the renovated A Line Station. Area of Package A was to meet FTA TIGER VI grant requirements and separate the Metro-owned project area from Caltrans ROW.

- Package B - Includes improvements to the Bus Bays, central C Line Plaza, addition of new Drop-Off zone and the redesign of the Park and Ride Lot. Also part of the TIGER VI grant. Separated from the other Packages as it is the only portion of the project within Caltrans ROW and their requirements.
- Package C - Extension of the A Line mezzanine and north end of the A Line platform. Combined with Package A to renovate the A Line platform in one project and to meet the expeditious New Blue schedule.

Construction of the Early Start Package began December 2017 and was completed in time for the start of Package A+C Construction. After an IFB process, the Design/Bid/Build Contract No. C1161 for Packages A+C was awarded to Icon West Inc. (IWI) in June 2018 with construction commencing in August 2018. This Project was expedited to allow for the A Line Station Work to be completed in time for the New Blue Opening. While there was some finish work still ongoing, the WRP A Line Station was opened to the public as scheduled on November 1, 2019 as part of the New Blue.

UNANTICIPATED EXPENSES:

UNION PACIFIC RAILROAD COORDINATION: The project team engaged UPRR in 2016 to coordinate their portion of the work for the new at-grade pedestrian crossing. Throughout the design development, consistent correspondence with UPRR was maintained. However, near the end of 2018, UPRR went through internal personnel changes and their project team was completely replaced. The new UPRR team advised Metro that their work would require a restart, pushing the schedule well past the public opening date of the station. Despite efforts to expedite, the expected start of UPRR work was pushed from Fall 2019 to Summer of 2020 at the earliest.

This delay required the installation of a fully accessible temporary pedestrian crossing including a prefabricated ADA ramp, temporary stand-alone validators, temporary signage, and security measures required for public operations. Unplanned design and expedited construction expenses for this temporary work has resulted in current change orders totaling over \$1,000,000. Additional expenses to cover current station operations and the future removal of this temporary crossing are expected once the new pedestrian crossing is open to the public. The totality of this Work is estimated to be \$2,000,000 additional cost to the project.

REAL ESTATE ACQUISITION: The approved LOP real estate budget of \$6,792,600 was based on an appraisal establishing the fair market value of \$5,292,500 for the acquisition of real property

(originally at \$3,254,000 in 2017 but adjusted to \$5,292,500 by LOP) and property interests in the amount of \$1,500,100 to cover relocation costs and legal fees required to construct and operate the Project.

While the cost of the relocations came in line with the original estimate, the loss of goodwill costs and property acquisition came in \$7,868,400 greater than the original appraisal. With the acquisition of the Property critical for construction of the Project, Metro issued a final offer of compensation at the Mandatory Settlement Conference pursuant to Code of Civil Procedure section 1250.410. As of today, the negotiations with all parties have been amicably settled but the additional cost for Real Estate acquisition and loss of goodwill costs was \$7,868,400 more than budgeted.

PACKAGE B CONSTRUCTION ESCALATION: As part of developing the original LOP, a 3rd Party Estimate was performed at 100% Design Development for Package B. The estimate had Caltrans related Work at \$3,000,000 and remaining Metro Work at \$4,000,000 for a total of \$7,000,000 for the complete Package. This amount was accounted for in the original LOP.

With grant deadlines as the leading factor and the estimated construction cost less than 15% of the original Package A+C construction contract, it was determined that a contract modification to the original IWI contract would provide the most cost efficient and timely construction for Package B.

However, as the construction progressed with Packages A+C, resolving unanticipated field conditions along with repairing unexpected and hidden deterioration in existing 30+ year old project, components became major added expenses. This understanding carried over to the Package B pricing where IWI submitted a preliminary cost and schedule proposal for the contract modification in the amount of \$12,800,000 (an increase of \$5.8 million) for the Package B Work to account for these conditions. The formal cost and schedule proposal must still be submitted, analyzed, and negotiated. Once the contract modification is negotiated for an agreed fixed price it can be authorized by the CEO within the approved LOP.

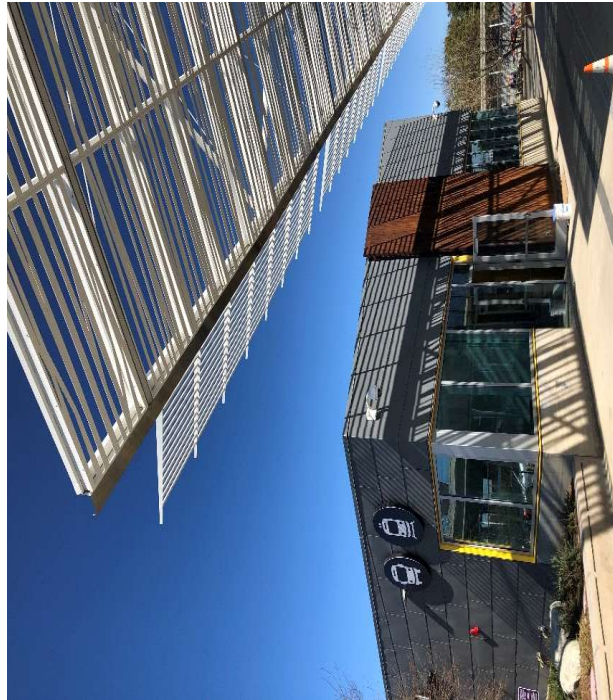
While this cost is higher than originally estimated, the additional amount is based on the Lessons Learned from Package A+C regarding unexpected project conditions as well as market escalation. The increase of \$5,800,000 from the original LOP for the construction of Package B Work is part of the budget increase request of this Report.

CALTRANS REQUIREMENT FOR PACKAGE B SOIL REMOVAL: Original environmental studies performed for the overall project revealed minimum contamination at the Package B portion of the site. However, as the only portion of the project under Caltrans review, additional environmental investigation was required by Caltrans into the soils condition at the Package B site. Results confirmed levels of Aerial Deposited Lead (ADL) that required full removal of any disturbed soil less than 5'-0" from the surface. With the entire site planned for construction, nearly 15,000 tons of soil will be removed and disposed of properly. The estimated cost for this work is \$2,500,000.

As of today, the project is nearly 83% complete with much of the remaining work consisting of Package B and the UPRR pedestrian work. The expected completion of the overall project is scheduled for Summer 2020 pending UPRR coordination.

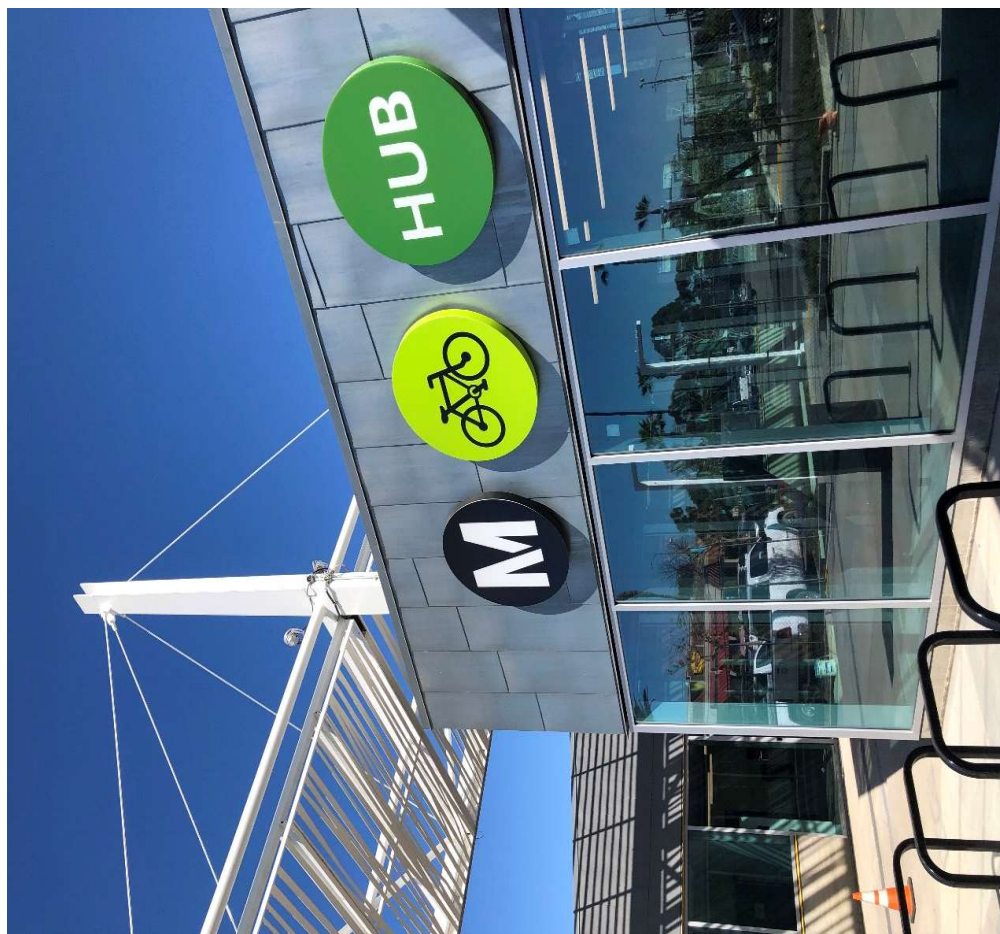
With this understanding, an increase in the Willowbrook Rosa Parks Project is requested based on the following:

• UPRR Delay Expenses	\$2,000,000
• Additional Property Acquisition Expenses	\$7,868,400
• Package B Escalation	\$5,800,000
• Caltrans required Soil Removal	\$2,500,000
• 10% Contingency for Package B overage	\$830,000
TOTAL LOP INCREASE	\$18,998,400









DETERMINATION OF SAFETY IMPACT

The Board action will have a positive impact on the safety of Metro's patrons and employees as the complete installation of the Package B Phase will create an increase in overall safety and security with the following:

- Circulation and accessibility improvements to the bus plaza and central C Line plaza
- Installation of a dedicated vehicle drop off area
- New LED lighting to improve visibility
- The final phase of installing over 150 security cameras throughout Willowbrook Rosa Park Station.

FINANCIAL IMPACT

Approval of Recommendation will increase the LOP for Project 210151 from \$109,350,000 to \$128,348,400. FY20 cashflow required is within the authorized \$109 million LOP. Since this is a multi-year project, the Project Manager, cost Center manager, and Chief, Program Management Officer will be responsible for budgeting the costs in future fiscal years.

Impact to Budget

The additional funds will be from available sales tax, eligible for work associated with this project such as Prop A 35% and Prop C 25%. These sources are eligible for use in bus and rail operations.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

By supporting the recommendation to increase the LOP budget for the Project, the Board is supporting Metro's Strategic Plan Goals which ensures our transit assets are in a state of good repair and enhances communities and lives through mobility and access to opportunity. With a renovated A Line station, new public plaza and Customer Center, better integration of bus and rail services, and improved pedestrian and bicycle access, the Project seeks to better connect residents to a wider range of regional employment, educational, and cultural opportunities.

ALTERNATIVES CONSIDERED

The Board may choose to not to move forward with increasing the LOP Budget. This is not recommended. Keeping the value of the LOP at its current level will severely limit the scope of Package B scope Metro will be able to complete, including many of the passenger and safety enhancements, and jeopardize TIGER VI funding from the FTA and other grants secured for the Project.

NEXT STEPS

After Board approval, staff will finalize and execute a contract modification with Icon West Inc. to begin construction of the final phase (Package B) of the Project.


ATTACHMENTS

Attachment A - LOP Expenditure and Funding Plan

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Phillip A. Washington
Chief Executive Officer

EXPENDITURE and FUNDING PLAN
Willowbrook/Rosa Parks Station Improvements Project

Use of Funds	Inception– FY19	FY20 Anticipated	FY21	FY22+	Total Capital Costs
Design and Property acquisition					
Design Costs/DSDC	8,277,000	-	-	-	8,277,000
Technical reviews	234,000	-	-	-	234,000
3rd Party Agreements (UP/CALTRANS/LAC)	440,000	-	-	-	440,000
Real Estate Acquisition/Appraisals/Acquisitions	5,819,000	6,451,000	-	-	12,270,000
Legal Assistance with Real Estate	346,000	437,000	-	-	783,000
Agency Costs	63,000	-	-	-	63,000
Design Phase Total	15,179,000	6,888,000	-	-	22,067,000
Construction Phase					
Construction Contracts (Packages E / F)	1,107,000	185,000	-	-	1,292,000
Construction Contracts (Packages A / C)	20,277,000	36,623,000	7,000,000	-	63,900,000
Construction Contracts (Package B)	-	3,500,000	12,000,000	-	15,500,000
Cubic work including TVMs and Gates	-	1,000,000	1,800,000	-	2,800,000
WRP Scope in Other Contracts	-	1,907,000	-	-	1,907,000
FF&E (Furniture / Equipment)	-	96,000	2,000,000	-	2,096,000
Special Conditions (3rd Party Agreements)	352,000	882,000	360,000	-	1,594,000
Design Support During Construction	532,000	1,887,000	250,000	-	2,669,000
CMSS and Program Mgmt Consultants	885,000	1,733,000	850,000	-	3,468,000
Other Professional Services (Geotech/ Env/DEOD)	41,000	221,000	300,000	-	562,000
Artwork (Fabrication/Installation/Staff)	71,000	462,000	500,000	-	1,033,000
Agency Costs: Project Control, Procurement Support, Safety, Communications, etc.	1,557,000	2,757,000	2,000,000	-	6,314,000
Unallocated Project Contingency	-	-	-	3,146,400	3,146,400
Construction Phase Total	24,822,000	51,253,000	27,060,000	3,146,400	106,281,400
Total Project Cost	40,001,000	58,141,000	27,060,000	3,146,400	128,348,400
Source of Funds	Inception– FY19	FY20*	FY21*	FY22+*	Totals
Federal - Section 5307 Urbanized Formula	-	-	2,221,778	-	2,221,778
Federal – TIGER VI Grant	8,435,000	1,815,000	-	-	10,250,000
Local - Proposition A 35%	-	-	8,484,050	646,400	9,130,450
Local - Proposition C 25%	22,819,000	14,711,599	10,000,000	-	47,530,599
Local - TDA Article 4	8,747,000	25,431,401	4,820,172	-	38,998,573
State - Active Transportation Program	-	1,375,000	1,534,000	-	2,909,000
State – MSRC (Air Quality Vehicle Registration Fee)	-	-	-	2,500,000	2,500,000
State - SB1 Local Partnership Program	-	14,808,000	-	-	14,808,000
Total Project Funding	40,001,000	58,141,000	27,060,000	3,146,400	128,348,400

* Local funding sources may change depending on available and eligible funding source.