



Board Report

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Agenda Number: 33.

CONSTRUCTION COMMITTEE AUGUST 20, 2020

SUBJECT: WESTSIDE PURPLE LINE EXTENSION SECTION 1 PROJECT

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATIONS

CONSIDER:

- A. AMENDING the Life-of-Project (LOP) budget by \$200,000,000 for the Westside Purple Line Extension Section 1 Project (Project) of \$2,778,879,593 to \$2,978,879,593 using the fund sources as summarized in Attachment A, consistent with the provisions of the Board-adopted Measure R and Measure M Unified Cost Management Policy (Attachment B), and
- B. AUTHORIZING the use of \$200,000,000 representing unused Expo Phases 1 and 2 funds for the proposed LOP Budget increase.

ISSUE

The Project has entered the sixth year of its nearly nine year expected duration and is 63% complete as of June 30, 2020. To date, the Project has experienced higher than expected differing site conditions, an increase in third party and safety requirements, and changes in scope related items. These unexpected conditions and additional requirements have impacted the LOP Budget. The Project is in the process of determining any impacts that these same issues may have on the Project schedule.

The Project will continue to assess any and all future Project risks, and the impacts that these risks may have on the LOP Budget and Project schedule.

To address the project cost contingency drawdowns detailed below, fund ongoing construction, third party and professional services expenses, and restore some unallocated contingency, staff recommends a total LOP budget increase of \$200 million at this time.

BACKGROUND

Section 1 of the nine-mile Westside Purple Line Extension Project is the first of three sections that has been designed and is currently under construction as part of the Los Angeles County

Metropolitan Transportation Authority (LACMTA) Measure R Program. Section 1 extends the existing Purple Line by 3.92 miles beginning at the Wilshire/Western Station. From this station, the twin tunnel alignment travels westerly within the existing Wilshire Boulevard right-of-way with stations locations at the intersections of Wilshire/La Brea, Wilshire/Fairfax, and Wilshire/La Cienega. All three of the station boxes are located within the Wilshire Boulevard right-of-way with station portals extending to off-street entrances. Two of the stations, Wilshire/La Brea and Wilshire/Fairfax, are within the jurisdiction of the City of Los Angeles and the Wilshire/La Cienega Station is within the City of Beverly Hills jurisdiction.

Section 1 is being constructed in complex and extremely challenging geologic conditions that include subsurface gases (methane and hydrogen sulfide) and asphalt saturated ground, or “tar sands” in the areas surrounding the La Brea Tar Pits. The presence of these soil conditions previously prevented tunneling in this area until more technological advanced tunneling methods were developed. Metro’s tunneling specialists worked with federal representatives to have legislation changed in 2006, so that subway alternatives could be considered.

To date, over 84% of the tunnel length between Wilshire/Western and Wilshire/La Cienega Stations has been completed, as well as the excavation of the three stations. Metro gives credit to the contractor, Skanska, Traylor and Shea (STS), for safely tunneling under these challenging conditions.

On July 24, 2014, the Board authorized an LOP Budget of \$2,773,879,593 for the Project and authorized the Chief Executive Officer to award a 107-month design/build contract (C1045), subject to the resolution of timely protests, to STS. The contract was awarded on November 4, 2014 and the Notice to Proceed was issued on January 12, 2015.

Metro procured and awarded three contracts for advance utility relocations within the construction limits of each of the three future stations and constructed an exploratory shaft adjacent to the future Wilshire/Fairfax Station to observe ground conditions, all prior to the award of Contract C1045.

Metro also procured and awarded a design/build contract to provide the final design and construction of a new Maintenance-of-Way (MOW) and Non-Revenue Vehicle (NRV) Building at the south end of the existing Division 20 Yard (Location 64). On February 26, 2016, the Board authorized an increase to the LOP Budget, in the amount of \$5,000,000, for an alternative design for the site placement of the Division 20 MOW and NRV Building.

DISCUSSION

When the LOP Budget was adopted in July 2014, the project cost contingency was established at \$320.6 million. The amount included allocated contingency to cover anticipated but unknown contract modifications to be issued by Metro as applicable to specific contracts. As of June 30, 2020, the remaining project cost contingency balance is \$35.4 million. The remaining contingency balance is projected to be insufficient to carry the Project through to revenue service, considering the outstanding pending changes, potential changes, and remaining issues that need to be concluded on the Project. The contingency balance remaining is below the 3% project reserve threshold of \$83.4 million. The 3% threshold process was adopted by the Board in 2012 as an indicator to the Board to when it became necessary for a Project to drawdown on contingency below the reserve threshold

amount to cover Project costs.

The project cost contingency drawdowns to date can be summarized into four major categories.

Third Party Requirements (\$31.2M) that include, but are not limited to the following:

- At the Wilshire/La Brea Station, there were changes requested by LADWP (Power) to a room that contains their high voltage equipment. Plus, LABOE requested additional utility supports to hang the various utilities from the temporary steel deck beams (\$1.4M).
- At the Wilshire/La Cienega Station, a Memorandum of Agreement (MOA) was required between Metro and the City of Beverly Hills in order to define the requirements for STS to work within the City limits, as Section 1 was the first Metro Project that would be constructed in the City of Beverly Hills. The MOA negotiations began in advance of the award of Contract C1045, but the MOA was executed after contract award. Contract award was not deferred to allow for the inclusion of the MOA into the contract, because to do so would have delayed the completion date of the Project. Changes were also requested by SCE to a room that contains their high voltage equipment. In addition, modifications were required to be performed on the emergency generator enclosure in order to allow placement of the required ventilation gratings in the sidewalks (\$21.4M).
- In all areas along the alignment additional instrumentation was required to monitor utilities in the street and buildings along Wilshire Boulevard from any settlement due to tunneling and station construction due to third party concerns (\$8.4M).

Differing Site Conditions (DSCs) (\$68.4M) that include, but are not limited to the following:

- At the Wilshire/Western Tunnel Boring Machine (TBM) Retrieval Site, the existing station blast relief shaft geometry was not as shown on the as-built drawings, plus there was a waterline break due to an existing deteriorated pipe (\$0.3M).
- At the Wilshire/La Brea Station, additional water was encountered during station excavation and a difference in expected geology caused an increase in efforts to be expended in order to be able to dewater and excavate the station to the required subgrade depth. In addition, due to changed locations and extra concrete encasement of various utilities in the street, the ability to excavate the station box and to install the required support of excavation needed to safely excavate was negatively impacted. Due to the above, the duration required to fully excavate the station, an activity critical to be able to start tunneling was extended. Metro issued a Contract Modification (MOD) to advance some of the excavation activities to minimize the DSC caused delays. The advancement MOD recovered over four months of the critical path impact (\$33.8M).
- At the Wilshire/Fairfax Station, the expected depth of the special Paleo excavation zone was deeper than was expected. This special Paleo excavation zone required STS to only excavate in six-inch lifts which is much shallower than normal excavation and more time consuming. In addition, during the decking operations some LADWP (Power) duct banks were slightly higher than expected and interfered with the street decking. The duct banks

needed to be re-worked to provide the required clearance to install the street deck beams (\$5.7M).

- At the Wilshire/ La Cienega Station, a difference in geology caused additional dewatering wells, well points, and trench drains to be installed in order to be able to dewater and excavate the station to the required subgrade depth. Due to the above, the duration needed to fully excavate the station, critical to be able to accept the TBMs when they enter the station from the east, was extended. Metro issued a MOD to advance some of the excavation activities to minimize the DSC caused delays. The advancement MOD recovered over two months of the critical path impact (\$27.8M).
- At Tunnel Reach 3 (Wilshire/Fairfax to Wilshire/La Cienega), an oil well was discovered very close to the current tunnel alignment near Crescent Heights. The tunnel alignment was moved 10 feet to the south so as not to impact the existing oil well (\$0.8M).

Scope (Metro upgrades) (\$21.8M) that includes, but are not limited to the following:

- Changes were issued in order to keep certain aspects of the Project up to date with current Metro standards. The C1045 Contract was executed in 2015 causing some of the Contract scope of work to be out of date. Various changes to systems, signage, and lighting have been issued. In addition, horizontal directional drilling was introduced to locate any potential anomalies in conflict with the tunnel alignment prior to the TBM arriving at the anomaly. Improvements were made to the two tunnel crossovers located at the Wilshire/La Brea and Wilshire/La Cienega Stations to allow for better passenger service (\$21.8M).

Safety (\$19.6M) that includes, but are not limited to the following:

- At the Wilshire/Western Station, the Project will be tying into the existing train control system. As the manufacturers of the new and existing train control systems are different, the Project was notified by the existing train control manufacturer after the award of Contract C1045, that special precautions need to be taken and extra equipment is required to be installed to keep the two systems safely operating together (\$5.9M).
- At Tunnel Reach 3 (Wilshire/Fairfax to Wilshire/La Cienega), there was a potential for existing underground methane and hydrogen sulfide gases to migrate towards the street and under the buildings when the TBMs were passing in this area. Studies were conducted, and a mitigation plan was developed and implemented to minimize the potential of migrating gas (\$13.7M).

Given the challenging conditions encountered, the Project has proactively implemented schedule mitigation modifications to keep the Project on schedule. These include the following:

- At the Wilshire/La Brea Station, the excavation was advanced to mitigate some of the delays associated with actual water/soil conditions. Also, a center muck shaft was established to advance portions of the excavation due to impacts the existing utilities had on the movement of muck to the La Brea muck shaft.
- At the Wilshire/Fairfax Station, Metro assumed the role of Engineer of Record so as to minimize the delays and proposed additional scope of work by STS (avoided) associated with

the excavation of the tar sands in the station box.

- At the Wilshire/La Cienega Station, the excavation was advanced to mitigate some of the delays associated with the actual soil conditions encountered. In addition, the station concreting was advanced to allow additional critical station construction to be completed while waiting for the TBMs to arrive from the Wilshire/Fairfax Station.
- Along the tunnel alignment, horizontal directional drilling (HDD) was instituted to minimize any delays to the tunneling operations due to unknown anomalies (such as oil wells) being in the path of the TBMs. The HDD process located an anomaly (possible oil well) at the Wilshire/Crescent Heights intersection, which allowed the tunnel alignment to be slightly changed early enough to cause very little impact to the Project. The HDD process has also located an anomaly at the Wilshire/San Vicente intersection that will require mitigation efforts and has some schedule impact, but much less than if the HDD was not conducted and if the TBMs encountered the anomaly without the start of any early intervention.

STS has submitted a claim concerning impacts on its ability to complete the Project early. Metro has disputed this claim and it will be subject to a dispute resolution process (subject to the Board's approval). Since Metro is disputing this claim, the requested amount in this Board Report does not include any amounts for this claim.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an impact on established safety standards for Metro's construction projects.

FINANCIAL IMPACT

Funds required for fiscal year 2021 have been requested through the fiscal year 2021 budget development, to be adopted at the September 2020 Board meeting. Until then, fiscal year 2020 budget, authorized through continuing resolution, provides the necessary funds for the first quarter in fiscal year 2021, under Project 865518 Westside Purple Line Extension Section 1, and in Cost Center 8510 (Construction Project Management).

Since this is a multi-year capital project, the Chief Program Management Officer and the Project Manager will be responsible for budgeting costs in future fiscal years.

Impact to Budget

The sources of funds for the recommended actions are local and other funds that are eligible at the time of expenditure.

Multiyear Impact

The sources of funds for the Project are capital funds identified in the recommended Funding/Expenditure Plan as shown in Attachment A. The project cost, prior to the proposed cost increase, is included and funded in the 2019 Long Range Transportation Plan Financial Forecast. With respect to the \$200,000,000 increase, Attachment B shows the Measure R and Measure M

Unified Cost Management Policy (the Policy) analysis and funding strategy required for cost increases to Measure R Projects.

To comply with the Policy of the Metro Board of Directors, Metro staff has evaluated potential offsetting cost reductions, including value engineering, shorter segment, and reductions to other Metro projects in the corridor and subregion, and has determined these are not feasible, and that additional local funding resources, which are to be considered prior to Metro's countywide funding, are potentially available. The Policy analysis recommends \$200,000,000 of unused project funds from Expo Phases 1 and 2, as available funding sources in the Long Range Transportation Plan Financial Forecast that can address the \$200,000,000 cost increase.

This report identifies additional funding resources consistent with the Policy approved by the Board in 2018. Attachment B provides a detailed discussion of the Policy. In summary, the Policy was developed in recognition that some projects would need additional funding and the Policy provides a consistent and equitable process to ensure that any financial impacts are limited to the local area where the project is located and not have a region-wide impact.

The Policy defines a cascading list of actions that can be taken. Because the Project is so far along, actions such as value engineering or changes in scope are no longer feasible. Additional funding is the only option.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports Strategic Plan Goal #1 - Provide high-quality mobility options that enable people to spend less time traveling.

ALTERNATIVES CONSIDERED

The Board may choose to not move forward with amending the LOP Budget. This is not recommended as Metro will be unable to provide funding to complete the Project according to the current schedule.

NEXT STEPS

Upon approval by the Board, the LOP Budget will be amended accordingly per the Recommendation.

ATTACHMENTS

Attachment A - Funding/Expenditure Plan

Attachment B - Measure R and Measure M Unified Cost Management Policy Analysis

Attachment C - Projected Breakdown of Cost Allocation for \$200 million

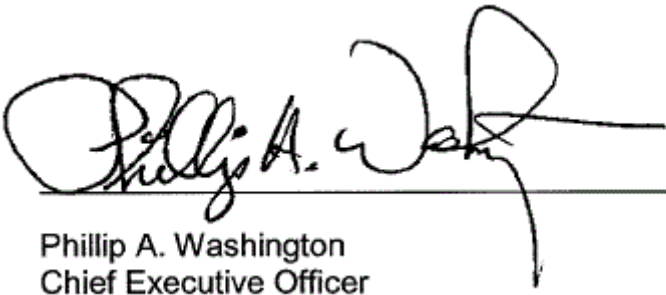
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ATTACHMENT A

WESTSIDE PURPLE LINE EXTENSION SECTION 1 PROJECT

Funding/Expenditure Plan

(Dollars in Millions)

Capital Project 865518	Prior	FY20	FY21	FY22	FY23	FY24	FY25	FY26	Total	% of Total
Uses of Funds										
Construction	1,049.1	229.0	282.7	350.2	96.2	11.6	-	-	2,018.8	67.8%
Right-of-Way	183.1	1.3	3.9	9.7	5.0	-	-	-	203.0	6.8%
Vehicles	16.1	7.6	-	62.2	22.4	-	-	-	108.3	3.6%
Professional Services	344.9	44.9	52.2	47.2	49.7	35.3	1.2	-	575.4	19.3%
Project Contingency	-	-	12.4	14.2	3.9	1.9	1.5	-	34.0	1.1%
Subtotal Capital Project	1,593.2	282.8	351.3	483.4	177.2	48.9	2.7	-	2,939.5	98.7%
Environmental/Planning	39.4	-	-	-	-	-	-	-	39.4	1.3%
Total Project Cost	1,632.5	282.8	351.3	483.4	177.2	48.9	2.7	-	2,978.9	100.0%
Sources of Funds*										
Federal 5309 New Starts	565.0	100.0	193.5	290.8	100.7	-	-	-	1,250.0	42.0%
Federal CMAQ	12.2	-	-	-	-	-	-	-	12.2	0.4%
Federal Section 5339 Alternatives Analysis	0.5	-	-	-	-	-	-	-	0.5	0.0%
STIP Regional Improvement Program	2.6	-	-	-	-	-	-	-	2.6	0.1%
Measure R - TIFIA Loan	490.8	155.7	116.1	93.5	-	-	-	-	856.0	28.7%
Measure R 35%	511.1	27.2	41.7	94.2	96.0	34.4	-	-	804.5	27.0%
City of Los Angeles	1.3	-	-	5.0	38.7	27.6	2.7	-	75.3	2.5%
State Capital Project Loans - Others*	49.1	-	-	-	(58.1)	(13.1)	-	-	(22.2)	-0.7%
Total Project Funding	1,632.5	282.8	351.3	483.4	177.2	48.9	2.7	-	2,978.9	100.0%

*including TDA and Fund 3562

ATTACHMENT B

Westside Purple Line Extension Section 1 Project

Measure R and Measure M Unified Cost Management Policy Analysis

Introduction

The Measure R and Measure M Unified Cost Management Policy (the Policy) was adopted by the Metro Board of Directors in June 2018. The precursor Measure R cost management policy was adopted in March 2011. The intent of the Policy is to inform the Metro Board of Directors regarding cost increases to Measure R- and Measure M funded projects and the strategies available to close a funding gap. The Westside Purple Line Extension Section 1 Project (the Project) is subject to this policy analysis.

The life of project (LOP) budget for the Project was last approved by the Board in February 2016 at \$2,778,879,593. The Project is subject to the Policy analysis now due to a proposed \$200,000,000 increase to the LOP budget. Funding for the cost increase is needed through FY 2026. This analysis recommends trade-offs required by the Policy to identify the funds necessary to meet the cost increase.

Measure R and Measure M Unified Cost Management Policy Summary The adopted Policy stipulates the following.

If a project cost increase occurs, the Metro Board of Directors must approve a plan of action to address the issue prior to taking any action necessary to permit the project to move to the next milestone. Shortfalls will first be addressed at the project level prior to evaluation for any additional resources using these methods in this order as appropriate:

- 1) Scope reductions;
- 2) New local agency funding resources;
- 3) Value Engineering;
- 4) Other cost reductions within the same transit or highway corridor;
- 5) Other cost reductions within the same subregion; and finally,
- 6) Countywide transit or highway cost reductions or other funds will be sought using pre-established priorities.

Scope Reductions

The Project cost increase is attributable to additional work requirements of the cities of Beverly Hills and Los Angeles, additional work for dewatering systems, changes and additions to scope to accommodate Metro standards, and an additional safety program and safety equipment. Any attempt to identify and negotiate agreeable reductions to the

scope may result in further delays and potential additional costs. Because of this, we recommend moving to the next step.

New Local Agency Funding Resources

Local funding resources (i.e., specific to the affected corridor or subregion) are considered in the next step as opposed to countywide or regional sources so as not to impact the funding of other Metro Board-approved projects and programs or subregions in the County.

The Project is eligible for Measure M and Measure R funding and is currently allocated \$1,521,509,235 of the total \$4,074,000,000 of funding that is identified in the Measure R sales tax ordinance Expenditure Plan.

The Project is located primarily in the Central City Area, with a relatively small section in the Westside Cities subregion (as defined in the Policy, as amended), and has station locations in the cities of Los Angeles and Beverly Hills. Local funding resources from both the subregions and cities could be considered for the cost increase.

Funding Within the Corridor

The Project is within the same subregion as Expo Phase 1 and shares the corridor with Expo Phase 2. The Expo Projects have unused funds totaling an estimated \$229,582,693 from the combined life of project budget. A portion of the unused funds equal to \$6,234,052 are comprised of City of Los Angeles and Santa Monica excess contributions that will be or have already been returned and will not accrue to Metro. The remaining unused funds have been programmed in the Long Term Transportation Plan Financial Forecast and can be reprogrammed for other uses. The Board approved in July 2018 (Board report #2018-0388) the distribution of an estimated amount of the unused funds: \$11,500,000 to the Metro Blue Line Track & System Refurbishment Project (CP 205115); \$5,100,000 to Expo Project close-out items; and \$200,000,000 to the Westside Purple Line Project Section 2. The distribution of funds to Section 2 has not been expended as the existing life of project budget and funding plan were determined prior to the July 2018 Board action. The \$200,000,000 Expo funds distributed to Section 2 can alternatively be made available to the Project.

There are several administrative restrictions that limit the application of the unused Expo funds to the Project. The funds are comprised of local sales tax – Measure R 35% Transit, Proposition A 35% Rail, and Proposition C 25% Transit-Related Streets. The Measure R funds are primarily “surplus” funds from Phase 2 and are to be expended in the subregion, per the Measure R ordinance. The Expo Projects traverse through both the Central City Area and Westside Cities subregions. Additionally, the Metro Board has adopted a policy to reduce Measure R surplus by any debt interest incurred to finance a project (Metro has issued approximately \$490 million of debt to finance the Expo Phase 2 Project). Because of these restrictions, we recommend charging all available Measure

R to the Expo Projects, which will free-up Proposition A and C. However, because the Project is considered “new subway,” it is not eligible for Proposition A or C. We further recommend that the Proposition A and C funds are reallocated to the Crenshaw/LAX Project, which will allow Measure R to be used for Project. This type of multi-project fund swap that attempts to navigate Metro ordinance restrictions has previously been approved by the Board for the Regional Connector Project.

Subregional Programs and Local Agency Contributions

Measure M has funding for a transit-eligible Subregional Equity Program (SEP) in the Central City Area and Westside Cities subregions. The subregions could allocate a portion of the funding for the Project, which requires notice to and approval by the subregions. The Measure M Expenditure Plan includes \$235 million for the Central City Area SEP and \$160 million for the Westside Cities SEP. The SEP funds are programmed beginning in FY 2043 in the Long Range Transportation Plan Financial Forecast due to limited financial capacity. Staff has previously recommended that the South Bay and Central City Area subregions allocate a portion of the SEP to address a \$90 million cost increase on the Crenshaw/LAX Transit Project. Per Board action in May 2020 (Motion 38.1 # 2020-0356), staff will develop, in partnership with all Board offices, a uniform process by which subregions can elect to use SEP funding that will be reported back during the September 2020 Board cycle.

Local Agency Contributions

The cities with Project stations are expected to contribute funding to the Project as part of the 3% local agency funding assumption included in the Measure R ordinance. The cities are generally not responsible for cost increases to the projects and are not considered as a source of funding for the Project cost increase.

Measure M, as well as Measure R and Propositions A and C, provide “local return” funding to Los Angeles and Beverly Hills. The cities will receive an estimated \$3.23 billion of local return (Los Angeles \$3.2 billion, Beverly Hills \$27 million) over the ten year period FY 2021 to FY 2030 that is eligible for transit use and could contribute a portion to the Project (not adjusted for any negative impact to countywide sales tax due to the current global pandemic). However, prior Board actions relating to the Twenty Eight by '28 Initiative and funding for the cost increase to Foothill Extension to Pomona did not support use of local return, and it is presumed these funds would not be available for the cost increase to the Project.

State and Federal Funding (Discretionary)

The FTA has previously granted the Project \$1.25 billion through a New Starts grant and the USDOT has provided funding through a \$856 million TIFIA loan. Additional State or federal discretionary funding (where Metro would compete for the funding) is not probable, given the Project has experienced a cost increase and the design/build contract is already awarded.

Value Engineering

The Project cost increase is attributable to additional work requirements of the cities of Beverly Hills and Los Angeles, additional work for dewatering systems, changes and additions to scope to accommodate Metro standards, and an additional safety program and safety equipment. Any attempt to identify and negotiate agreeable value engineering may result in further delays and potential additional costs. As a result, we recommend moving to the next step.

Other Cost Reductions within the Same Transit or Highway Corridor, or within the Same Sub-region

The cities and subregions have existing funding programs that have funding amounts yet to be programmed to the subregion or spent. The SEP is discussed above in section "Subregional Programs and Local Agency Contributions."

The cities also receive funding through the Call-For-Projects, the competitive grant program that is funded and managed by Metro for the benefit of LA County cities, transit operators, and State highway projects that was last held in 2015. At times the funding for certain projects in the Call-For-Projects is "de-obligated" if not spent within a reasonable timeframe and this can be a funding source for other uses. Currently there is not a meaningful amount of de-obligated funds available unless the cities choose to terminate an existing project, and all other projects are moving through their respective development process.

Countywide Cost Reductions and/or Other Funds

If new local agency resources are not allocated to the Project cost increase, regional or countywide funding could be considered. These funds are programmed for other uses in Metro's financial forecast, during the timeframe when funds are needed for the Project cost increase. Eligible sources of countywide funding are limited due to the restriction on the use of Proposition A and C for the Project and include General Fund and Lease Revenues. These countywide sources are not sufficient to address the cost increase.

State and Federal Funding (Formula)

Metro receives quasi-formula funding from the State through the Regional Improvement Program (RIP) and Local Partnership Program (LPP). This is considered regional funding as it can be applied countywide to both transit and highway spending. There is currently no capacity in the RIP or LPP through FY 2025. The RIP has been allocated to projects submitted in Metro's 2020 RTIP and the next cycle of the LPP is planned to be used on the \$801 million Division 20 Project.

Recommendation

Metro staff recommends the use of \$200,000,000 representing unused Expo Phases 1 and 2 funds for the proposed LOP budget increase.

To close the Project funding gap, we recommend shifting the balance of Prop A 35% and Prop C 25% funds that were previously programmed for Expo Phases I & II but not expended. To address ordinance restrictions on the use of Prop A and C on new subway projects, we are recommending the swapping of these funds with Measure R 35% on the Crenshaw/LAX Project. This modification keeps the Crenshaw/LAX Project funding amount in place whilst maximizing the use of Measure R 35% funds on the Project.

Strategy to Address Westside Purple Line Extension Section 1 Funding Gap

(\$ in millions)	Measure R 35%	Proposition C 25%	Proposition A 35%	Total
Westside Purple Line Extension	\$ 200.00			\$ 200.00
Crenshaw/LAX LRT	\$ (200.00)	\$ 80.00	\$ 120.00	\$ -
Expo I & II		\$ (80.00)	\$ (120.00)	\$ (200.00)
Additional SRTP Shortfall				\$ -
Balance	\$ -	\$ -	\$ -	\$ -

ATTACHMENT C

Westside Purple Line Extension Section 1 Project Projected Breakdown of Cost Allocation for \$200 million

Amount	Description
\$124,000,000	Construction Tunnels, Stations, Trackwork, Systems, Special Conditions, and Systems Integration Testing.
	Professional Services
	3rd Party Coordination
\$7,000,000	<ul style="list-style-type: none"> o City of Los Angeles: Provides administration support based on annual work plans.
\$10,000,000	<ul style="list-style-type: none"> o City of Beverly Hills: Provides administration support based on annual work plans.
\$48,000,000	All Other Professional Services
	<ul style="list-style-type: none"> o Metro Staff at Gateway and at multiple field offices who perform oversight in various disciplines. o Engineering - Design engineering during construction. o EMSS - WSP: Engineering management support services providing design review support and assessment of engineering issues during construction. o CMSS - WEST: Construction management support services procured to support Metro staff in oversight of specific areas of project construction. Disciplines include field inspectors, resident engineers and other construction support. o DSDC - SecoTrans: Systems design support during construction. o PMSS - KKCS/Triunity: Project management support services including project controls, estimating and scheduling. o Claim Support Services - Arcadis Inc.: claims support consultant to assist with preparing documentation and analysis in support of Metro's defense against claims submitted by the contractor. o Legal Services: County Counsel and procured legal services to assist project management. o Community Relations: Consultant companies provide assistance in support of construction along the Westside Purple line Extension Section 1 Project alignment. o Labor Compliance Monitoring: Consultant companies monitor the construction contractor compliance with project labor agreement and DBE requirements. o Auditing Services: Consultant companies conduct audits of main professional services and construction contracts. o QA Test Lab Services: Consultant companies provide materials verification testing and inspections services.
\$11,000,000	Unallocated Project Contingency Amount not yet allocated to a specific line item but is required for anticipated unknown cost increases.
\$200,000,000	Total Increase

Westside Purple Line Extension Section 1 Project Construction Committee Agenda Item #33



Westside Purple Line Extension Section 1 Project

Construction Committee

Project Cost Contingency

Project Cost Contingency			
Dollars in Thousands			
	Original Contingency Budget	Committed To-Date	Remaining Contingency Budget
Allocated Contingency	71,963	59,395	12,568
Unallocated Contingency	248,592	225,715	22,877
Total Contingency	320,555	285,110	35,445

Westside Purple Line Extension Section 1 Project

Construction Committee

Third Party

Third Party: \$31.2M - MODS Executed To Date

- Wilshire/La Brea Station \$1.4M
 - Utility Hanging
 - DWP Room
- Wilshire/La Cienega Station \$21.4M
 - City of Beverly Hills MOA
 - Emergency Generator
 - SCE Room
- All Areas \$8.4M
 - Instrumentation

Westside Purple Line Extension Section 1 Project

Construction Committee

Differing Site Conditions (DSCs)

DSCs: \$68.4M - MODS Executed To Date

- Wilshire/Western TBM Retrieval Site \$0.3M
 - Existing Blast Relief Shaft Geometry; Waterline Break
- Wilshire/La Brea Station \$33.8M
 - Dewatering Remediation/Mitigation; Utilities
 - Advancement MOD recovered over 4 months of critical path impact
- Wilshire/Fairfax Station \$5.7M
 - Paleo Zone; Utilities
- Wilshire/La Cienega Station \$27.8M
 - Dewatering Remediation/Mitigation
 - Advancement MOD recovered over 2 months of critical path impact
- Reach 3 (Wilshire/Fairfax to Wilshire/La Cienega) \$0.8M
 - Oil Well

Westside Purple Line Extension Section 1 Project

Construction Committee

Safety & Metro Upgrades

Safety: \$19.6M – MODS Executed To Date

- Wilshire/Western Station \$5.9M
 - Train Control
- Reach 3 (Wilshire/Fairfax to Wilshire/La Cienega) \$13.7M
 - M-13 Site Gas Migration Mitigation

Metro Upgrades: \$21.8M – MODS Executed To Date

- Trackwork Improvements (Crossover)
- System Upgrades
- Horizontal Directional Drilling for Tunnel Anomalies
- Station Finishes (Signage, Art, Lighting, etc.)

Westside Purple Line Extension Section 1 Project Construction Committee Funding Plan

- Proposed funding sources for \$200M LOP budget increase request are unused Expo Phases 1 and 2 funds

Strategy to Address Westside Purple Line Extension Section 1 Funding Gap

(\$ in millions)	Measure R 35%	Proposition C 25%	Proposition A 35%	Total
Westside Purple Line Extension	\$ 200.00			\$ 200.00
Crenshaw/LAX LRT	\$ (200.00)	\$ 80.00	\$ 120.00	\$ -
Expo I & II		\$ (80.00)	\$ (120.00)	\$ (200.00)
Additional SRTP Shortfall				\$ -
Balance	\$ -	\$ -	\$ -	\$ -