



Board Report

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Agenda Number: 36.

**CONSTRUCTION COMMITTEE
APRIL 15, 2021**

SUBJECT: AIRPORT METRO CONNECTOR PROJECT

ACTION: ADOPT LIFE OF PROJECT BUDGET

RECOMMENDATION

CONSIDER:

ESTABLISHING a life-of project (LOP) budget for the Airport Metro Connector project in the amount of \$898,581,000 consistent with the provisions of the Board-adopted Measure R and Measure M Unified Cost Management Policy (Attachment C).

ISSUE

The Airport Metro Connector Project (AMC) will be the ninth station along the Crenshaw/LAX (C/LAX) Line and will connect directly with the Los Angeles World Airports (LAWA) Automated People Mover (APM) and become the key multi-modal gateway to the Metro system from Los Angeles International Airport (LAX). With direct connections between Metro rail, bus and active transportation systems to the APM and LAX, this new transit station will provide a welcoming, secure and convenient connection point that aims to stand as a significant flagship destination in both Metro and the City of Los Angeles transportation networks

DISCUSSION

Project Overview

In June 2014, the Board approved adding a new transit station to the C/LAX line at 96th Street to connect the C/LAX line with the LAWA APM. Subsequent Board actions authorized funding and contract actions for design and engineering services and directed the CEO to complete the environmental review and begin the required land acquisition. On January 26, 2017, the Board certified the AMC 96th Street Transit Station Final EIR. For the federal requirements per the National Environmental Policy Act (NEPA), an environmental memorandum was prepared to document the environmental findings for the AMC 96th Street Transit Station and to support a determination by FTA

that the project meets the criteria for a Categorical Exclusion (CE).

The AMC project has been designed by Gruen Associates and Grimshaw, in collaboration with the LAWA team developing the APM project. All design documents are now complete, and bids for the construction contract have been received.

The establishment of an LOP Budget for the Project after receiving bids for the construction contract is consistent with the recommendations in the Office of the Inspector General (OIG) Construction Management Best Practices Study Report and lessons learned regarding establishing final budgets, when adequate information (such as the receipt of hard bids) is available. Bids for the project were received on March 11, 2021.

Project Description

The AMC Project will be centered around a vast circulation hub connecting a new CLAX Rail Station, an expansive 16-bay Bus Plaza, a multi-level active transportation/bike hub, a private vehicle drop-off zone and direct connection to the LAX APM. Within the central hub there will be a full customer service center providing travelers convenient access to purchase monthly passes, pick up and receive assistance with route planning, multiple interactive information kiosks and ticket vending machines (TVM), public toilet facilities beyond the fare paid zone, redundant vertical circulation systems, and commercial space for potential tenants with focus on providing enhanced passenger conveniences. A sculpture by Los Angeles native and internationally renowned artist Glenn Kaino will be included as part of the main AMC hub structure.

The Rail Station portion of the project, integrated into the CLAX Line, will contain the largest Light Rail Platform in the Metro system with two grade separated rail crossings, each with escalators and dual elevators, new swing door faregates, all ADA compliant, to allow for smooth passage with luggage; and full roof coverage over the entire platform.

The Bus Plaza will have 16 separate bus bays, several with articulated bus capacity, with infrastructure to add charging capabilities at all bays. Additionally, the bus plaza will have a separate customer fare center with TVM's and interactive information kiosks, a central plaza with expansive landscaping and seating; and dedicated public toilet facilities.

The Project will also feature a multi-level bike and active transportation hub with facilities for vendors and direct connection to the multi-use path along Aviation Blvd., a private vehicle drop off zone with dedicated vertical circulation, and a direct connection to the APM platform at the AMC Station, incorporated into a design that will both integrate the APM and AMC Station to create a seamless experience and to stand separately as a significant and singular Metro Transit Station

The project has been designed to achieve a Leadership in Energy and Environmental Design (LEED) Gold rating and includes sustainable features such as over 550,000 kilowatts of solar panels, large native landscaping areas and electric bus charging stations.

Renderings showing key components of the AMC station are included as Attachment A.

Current Status of Work

The project team has completed extensive value engineering, design refinements and evaluation of project delivery methods for the construction scope including soft costs such as design and consultant fees, rail car system integration, real estate acquisition and relocations and hard costs, such as art and fare collections.

Along with value engineering, the team has completed an advanced and extensive constructability review process in order to prevent potential errors, future delays, and cost overruns. Furthermore, selection of a design-bid-build procurement strategy has allowed staff to base the proposed LOP predominantly on final bids already received for the Project.

The development of the project has also required extensive coordination with the CLAX Line and the LAWA projects around and within the AMC Project site. To adapt and incorporate the varying schedule and design components of both projects, the AMC Station was required to separate key preliminary site work and rail systems preparation in an Early Works phase for the project. The design work for this phase was completed in Winter 2020 with a construction contract already awarded to Hensel Phelps Herzog. This Work is scheduled to start in May 2021, initiating the start of the AMC Station project.

The second phase of the AMC Project, the overall design of the final station, has been developed in coordination with this Early Works phase to 100% Design Document completion and has recently received the bids for the construction contract. The award of the construction contract is scheduled for Summer 2021 with start of work expected Fall of 2021.

Additional Project Considerations

Land Acquisition

The Metro Real Estate Department initiated the acquisition process to acquire the Hertz Corporation's maintenance facility for rental vehicles and shuttle buses ("Hertz Property") in August 2017. The Hertz Property, located adjacent to the Metro owned Southwest Yard and CLAX ROW, encompasses 11.1 acres of property bounded by West Arbor Vitae Street to the north, CLAX ROW to the west and Aviation Blvd to the east and south.

The initial offer to acquire the Hertz Property was not accepted and the Metro Board adopted a Resolution of Necessity to acquire the Hertz Property through the eminent domain process on June 28, 2018. Metro obtained possession of the Hertz Property in July 2019 and Hertz has been relocated. With the recent bankruptcy of Hertz Corporation, the eminent domain action and negotiations have been delayed. Prior to the bankruptcy, updated appraisals were obtained based on a new date of value of July 2019 and additional funds were deposited totaling \$50,000,000. As a result of the updated appraisals by Metro and the owners, additional funds may be necessary in the future based on the increased valuations, the final jury award or settlement discussions. The trial to resolve the valuation issue has been deferred to late 2021 or potentially 2022 due to the limited access to the Courts caused by COVID.

Operations Plan during Construction

With the scheduled start of the AMC construction in late 2021, adjustments to the public operations of the CLAX Line will be required once it begins, as the rail platform component of the AMC Station will

close the portion of the CLAX Line within the project area.

With this understanding, the AMC Team in full coordination with Metro Operations, has implemented three key conditions to support the operations of the CLAX Line during this construction period:

- The Early Works phase of the Project will install temporary turnbacks, with related rail systems and rail car design adjustments, at the north and south ends of the Project limits to allow for segmented and separate operations of the CLAX Line.
- Limitation of the Project area within the CLAX ROW has been clearly defined to allow for continuous access and operations of the Southwestern Yard (SWY) rail yard leads to maintain daily rail operations and maintenance throughout the entirety of the construction.
- Separate scheduling and requirements have been incorporated within the AMC Station construction contract to install the final rail and rail systems and requisite safety barriers before the completion of the rest of the transit station. This will allow for end-to-end CLAX operations after 20 months from the beginning of continuous access to the CLAX ROW to begin the AMC Work.

The project will make full coordination with Metro Operations the highest priority to mitigate unnecessary interruptions to the CLAX Line testing and operations throughout the construction of the AMC Station Project.

Operations Staffing

Expected heavy use of the AMC Station will require several full-time personnel in the Metro Rail Operations and Facilities Maintenance Department for both the construction and initial operations of the completed Station.

During the early stages of construction, the CLAX Line will be under testing and is expected to begin public operations. Additionally, the AMC Project has been scheduled in separate construction phases to complete the rail station portion of the Project before the completion of the overall Project to allow for the expediting of end-to-end CLAX Operations, allowing rail service to run through the AMC Project area during construction of the remainder of the Project. This critical work on the CLAX ROW and the SWY will require rail operations personnel to work closely in cooperation with the AMC Contractor throughout the Rail Platform construction phase. Specifically, the installation of the utility buildings and the rail station will be intertwined with SWY operations and the rail track and systems network of the CLAX Line.

Once the AMC Station is completed, the vast circulation (12 escalators, 13 elevators), security systems and overall maintenance of the multi-modal hub will require full time maintenance personnel to keep the station secure, clean and convenient throughout its initial operations. Operations will request the required personnel to support the construction phase and ongoing operations in a separate Board action.

DETERMINATION OF SAFETY IMPACT

This Board action will have a positive impact on the safety of Metro's patrons and employees. Of significance, the AMC Station Project will provide safety and security by connecting all modes of transportation through a single central grade separated hub. Additional safety measures include the following:

- Singular entrance to the main hub from private vehicle drop-off and pedestrian areas
- New swing door faregates, all ADA compliant, to allow for patrons to easily move through with luggage
- Dual elevated pedestrian rail crossings to the rail platform
- All LED lighting throughout entire Transit Station
- Over 150+ security cameras throughout the Station
- LAWA and Metro Coordinated safety and security protocols between Los Angeles Police and Fire departments with interagency access to both LAWA and Metro security systems.

FINANCIAL IMPACT

Work for AMC has been funded with Project 460303, Airport Metro Connector, and Project 860303, Airport Metro Connector Construction. The FY21 adopted budget notes that Project 460303 had an authorization of up to \$58,218,000 and Project 860303 has an authorization of \$178,752,000 for a combined total of \$234,970,000. This action would establish a Life of Project Budget of \$898,581,000.

The AMC is included in the November 2016 Measure M Expenditure Plan with an allocation of \$581,000,000 in 2015 dollars. Both the Measure M and Measure R ordinances provide a concomitant amount of funding, including planned amounts of State and federal grants. The LOP budget is an increase to the most recent Measure R/M allocation and planned amount of funding, and is subject to the Unified Cost Management Policy (the Policy), which is provided in Attachment C. The Policy recommends trade-offs to identify the funds necessary to meet the cost increase. The Policy analysis recommends the use of Proposition A 35% Rail Development and Proposition C 25% Transit-Related Streets and Highways as these are the most available of the eligible funding sources to address the cost increase. Metro staff will also allocate approximately \$100,200,000 of new federal stimulus and existing grants to other Metro projects in order to free a portion of the needed Proposition A 35% and Proposition C 25% funds, which are only eligible for capital expenditures. The federal stimulus funds come from the capital project-only eligible portion of Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funding received by the State of California.

The AMC project has committed funding from Federal revenues, including Surface Transportation Block Grant (STBGP) and Congestion Mitigation & Air Quality Program (CMAQ); State Revenues including Transit and Intercity Rail Capital Program (TIRCP) and Solutions for Congested Corridors

Program; and Local Revenues including Measure R - Transit Capital and Measure M - Transit Construction. This Project is currently funded on a fiscal year basis under Project 86303 Airport Metro Connector Construction in Cost Center 8510.

A funding plan showing the sources and uses of funding for this project is included as Attachment B.

Impact to Budget

The proposed action will not have an impact to the FY21 Annual Budget. The FY21 Annual Budget has \$64,181,598 in Cost Center 8510, Construction Contracts/Procurement, for Project 860303, Airport Metro Connector Construction. This is a multi-year project requiring expenditure in fiscal year increments with the adoption of the Board Authorized Life of Project Budget. It will be the responsibility of the Project Manager and Chief Program Management Officer to budget for this in future fiscal years.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports strategic plan goals # 2 “Deliver outstanding trip experiences for all users of the transportation system” and #4 “Transform Los Angeles County through regional collaboration and national leadership.” The AMC Station has from the beginning of the planning and design stages, through continuous and diligent coordination with LAWA and the City of Los Angeles and now, moving forward with the construction has carried these two strategic goals as two of the highest priorities. With this multi-modal transit station providing direct connections between Metro rail, bus, active transportation systems and the APM and LAX, the AMC Station aims to be a cornerstone in the continued growth and transformation of Metro and the City of Los Angeles public transportation networks.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the LOP budget for this project. This alternative is not recommended since rejecting this project would jeopardize state funds that are in place, which include Solutions for Congested Corridors and TIRCP funds. Moreover, it would negate any direct connection between LAX and the Metro Rail system.

The Board may elect scope reduction or value engineering to lower costs for this project. Staff does not recommend this alternative as the descoping requires significant design changes and costs and would result in significant negative impacts to the project goals and objectives. The design of the AMC project has been coordinated with the LAX Automated People Mover project and any change to the design will impact the design of the LAWA project. Additionally, this alternative could cause delays to the LAX Automated People Mover project as well as impacts to the C/LAX project end-to-end revenue service dates.

The remaining service alternative option will be to provide costly and traffic dependent bus shuttle

service, by both Metro and LAWA, from one of the adjacent Metro Stations into LAX or to one of the new APM transit stations. Additionally, separate areas will need to have property secured, designed and developed for a bus and active transportation terminal.

NEXT STEPS

Upon Board approval, staff will award the primary construction contract and start construction in Fall 2021. With a roughly 36-42 month schedule of construction, it is estimated that the project will be complete and ready to open for passenger service in late 2024/early 2025. Staff will also execute other contract modifications for procurement and installation of the fare collection equipment and fare gates and for Rail Car Systems Integration.

ATTACHMENTS

Attachment A - Project Renderings

Attachment B - Funding and Expenditure Plan

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

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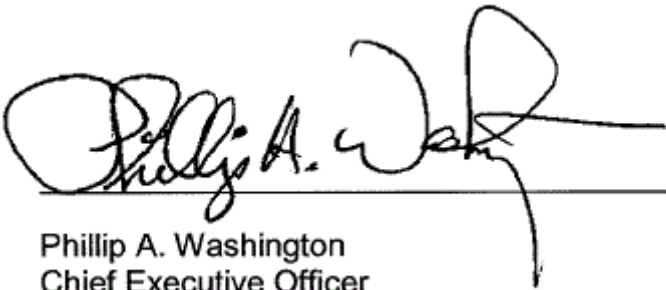
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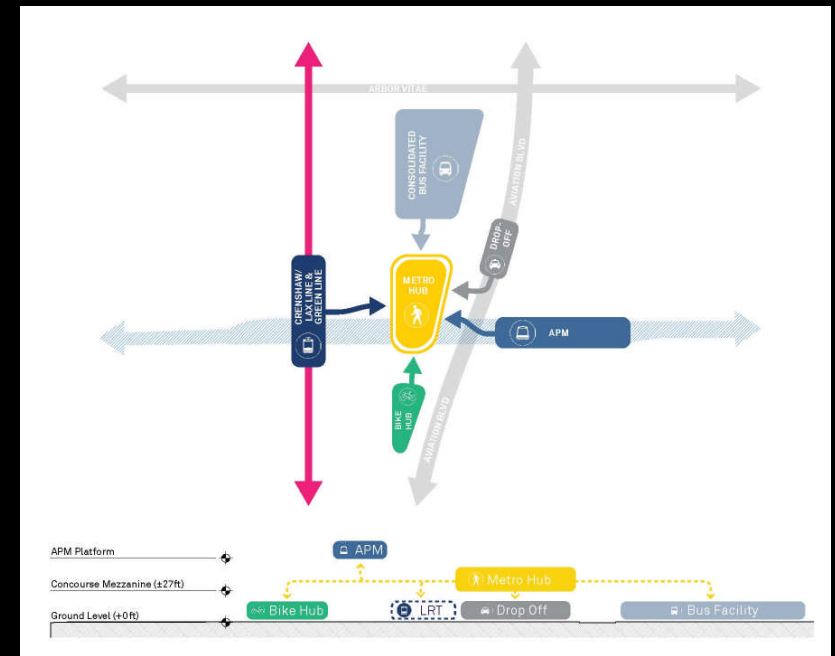
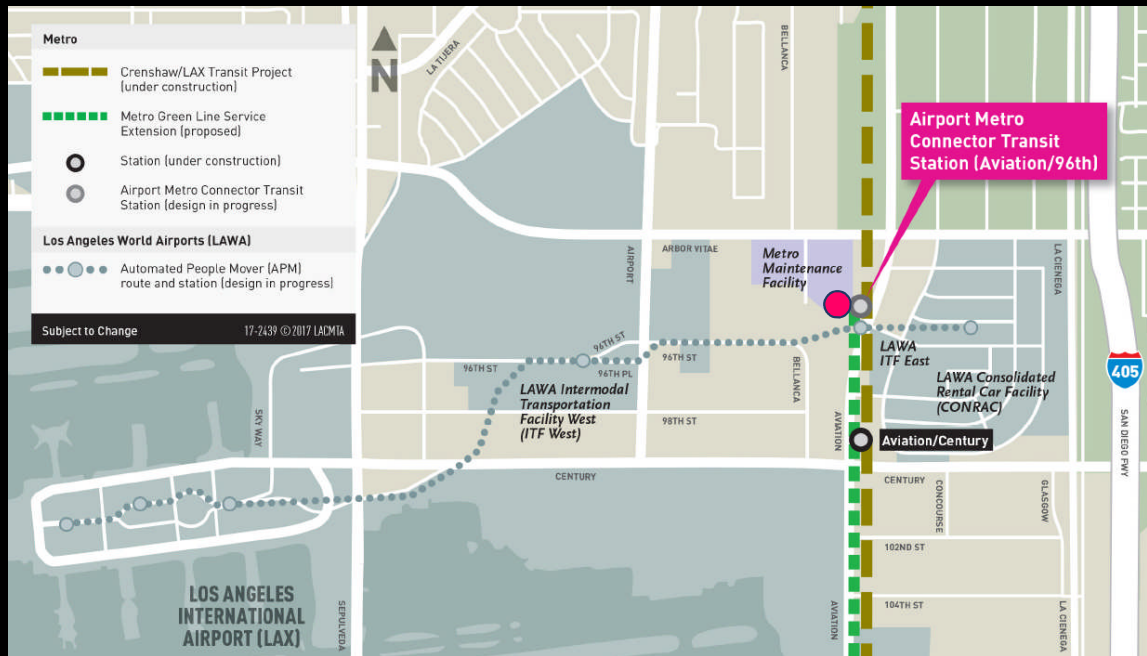


Phillip A. Washington
Chief Executive Officer

Airport Metro Connector Station | 60% DESIGN PRESENTATION



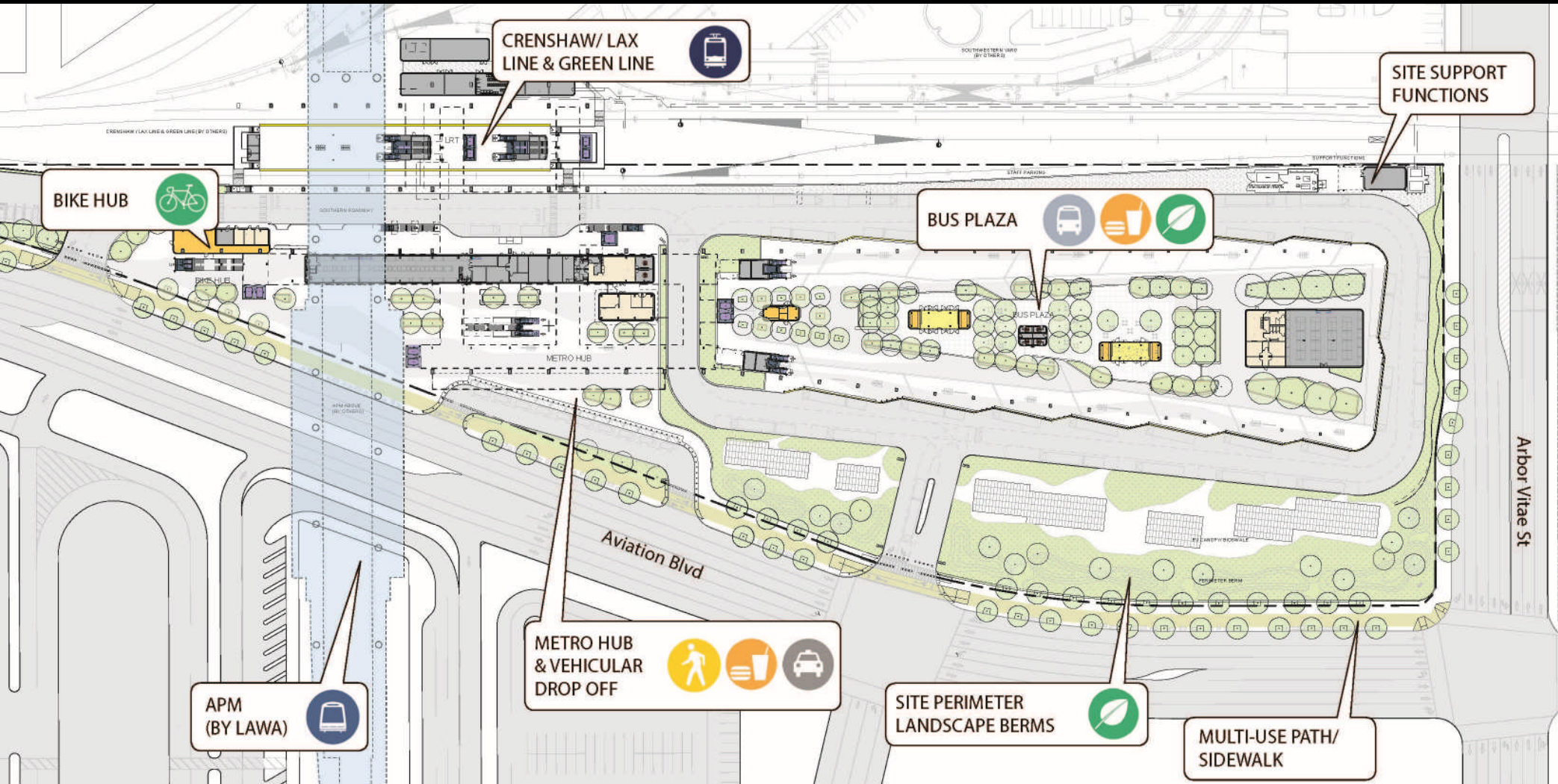
Airport Metro Connector Station | PROJECT AREA + PROGRAM



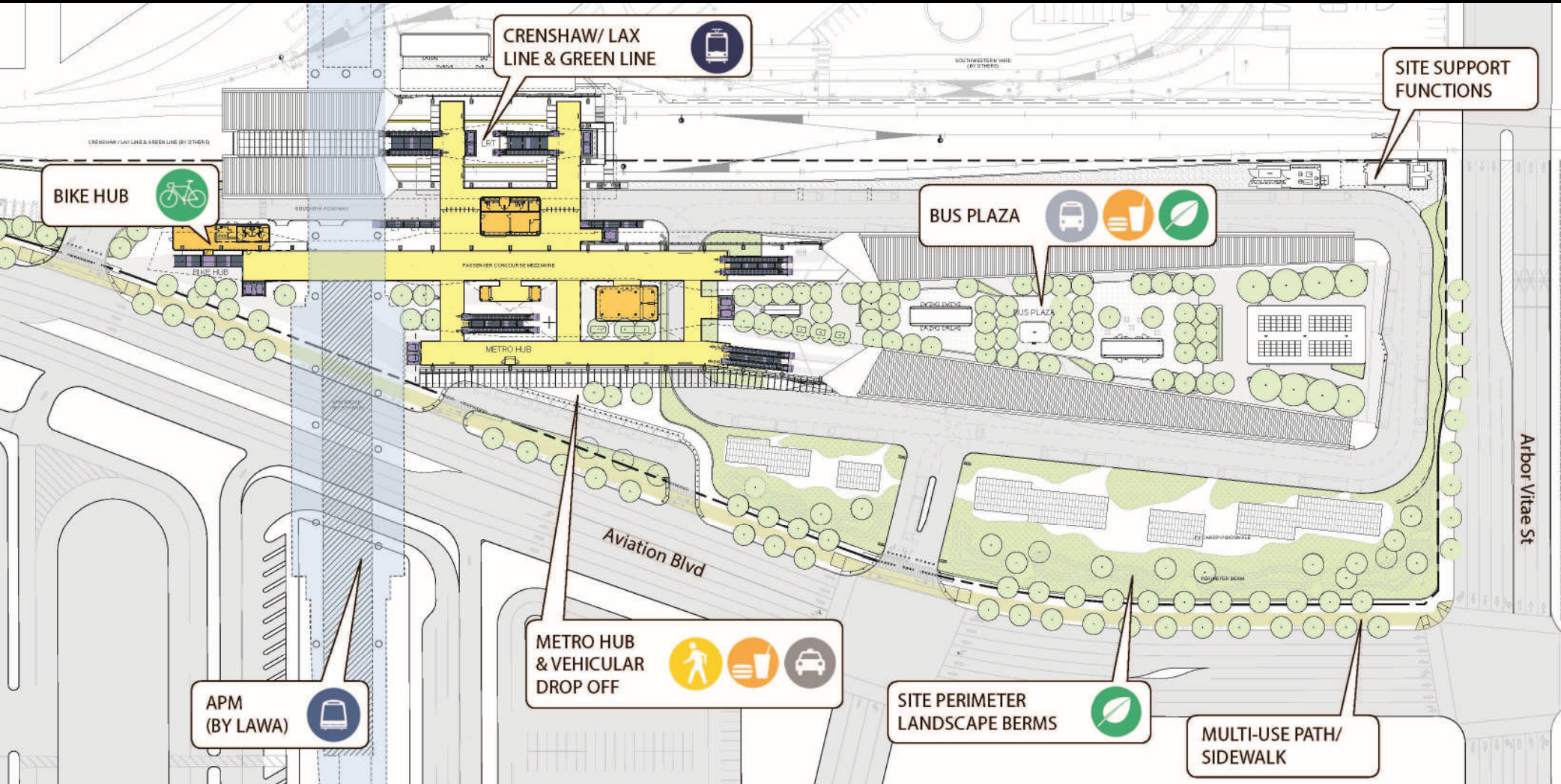
Airport Metro Connector Station | BIRD'S EYE VIEW



Airport Metro Connector Station | GROUND FLOOR + SITE PLAN

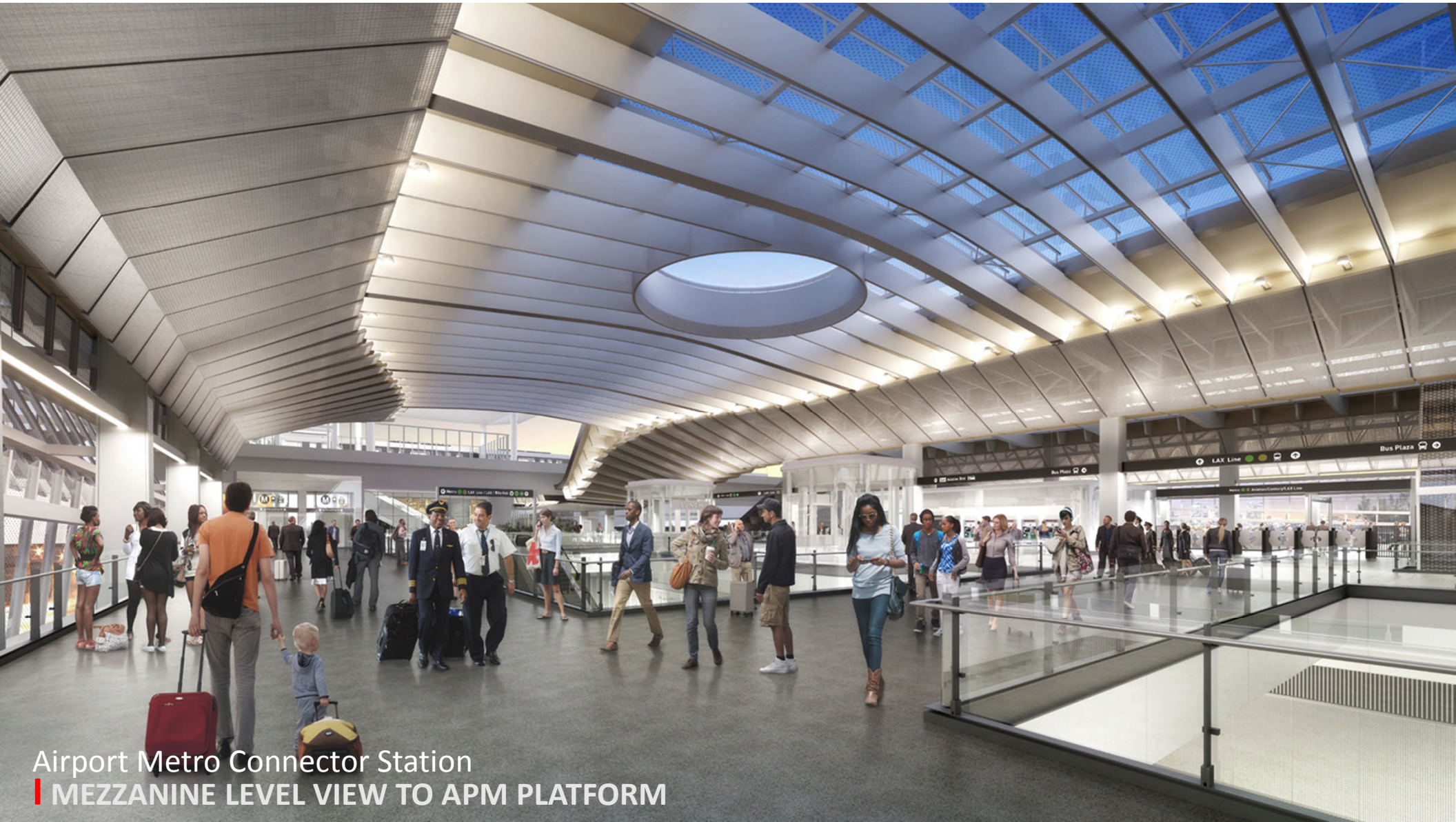


Airport Metro Connector Station | MEZZANINE LEVEL PLAN



Airport Metro Connector Station
STREET VIEW OF BIKE HUB





Airport Metro Connector Station
| MEZZANINE LEVEL VIEW TO APM PLATFORM



Airport Metro Connector Station
CRENSHAW LINE RAIL PLATFORM



Airport Metro Connector Station
| BUS PLAZA

**EXPENDITURE and FUNDING PLAN
Airport Metro Connector (AMC) Project**

Use of Funds	Inception– FY21	Remaining FY21	FY22	FY23	FY24	FY25	FY26	Total Capital Costs
Design and Property Acquisition								
Design Costs and Technical Reviews	36,575,000	-	-	-	-	-	-	36,575,000
3rd Party Agreements (City of LA/Gas Company)	3,476,000	-	-	-	-	-	-	3,476,000
Real Estate - Acquisition/Appraisals/Acquisitions	66,063,000	-	-	12,000,000	-	-	-	78,063,000
Real Estate - Legal Assistance with Real Estate	818,000	32,000	500,000	500,000	-	-	-	1,850,000
Real Estate - Leases	20,000	25,000	325,000	350,000	350,000	38,000	-	1,108,000
Agency Costs 460303	4,924,000	-	-	-	-	-	-	4,924,000
Agency Costs 860303	8,086,000	-	-	-	-	-	-	8,086,000
Design and Property Acquisition	119,962,000	57,000	825,000	12,850,000	350,000	38,000	-	134,082,000
Construction								
Construction Contract (Walsh/Shea - Contract C0988)	37,048,000	-	-	-	-	-	-	37,048,000
Construction Contract (Hensel Phelps/Herzog JV - Contract C0991)	3,726,000	782,000	-	-	-	-	-	4,508,000
Construction Contract C1194	-	3,000,000	18,000,000	10,000,000	-	-	-	31,000,000
Construction Contract C1197	-	30,000,000	175,000,000	175,000,000	90,000,000	7,827,000	-	477,827,000
Cubic work including TVMs and Gates	-	-	2,500,000	2,500,000	-	-	-	5,000,000
Rail Cars	-	-	6,000,000	6,000,000	-	-	-	12,000,000
Bus Bridge	-	-	6,750,000	6,750,000	-	-	-	13,500,000
Special Conditions (3rd Party Agreements)	-	75,000	755,000	2,250,000	950,000	118,000	-	4,148,000
Design Support During Construction	-	479,000	4,000,000	5,000,000	3,000,000	1,000,000	-	13,479,000
CMSS and Program Mgmt Consultants	-	2,250,000	8,500,000	9,000,000	6,000,000	2,937,000	-	28,687,000
Artwork (Fabrication/Installation/Staff)	58,000	43,000	500,000	750,000	500,000	250,000	-	2,101,000
Other Professional Services (Geotech/ Env/DEOD)	1,475,000	234,000	3,250,000	3,500,000	2,000,000	757,000	-	11,216,000
Agency Costs: Project Control, Procurement Support, Safety, Communications, etc.	-	257,000	4,500,000	11,700,000	9,851,000	1,636,000	-	27,944,000
Unallocated Project Contingency	-	-	-	-	-	-	96,041,000	96,041,000
Construction Phase Total	42,307,000	37,120,000	229,755,000	232,450,000	112,301,000	14,525,000	96,041,000	764,499,000
Total Project Cost	162,269,000	37,177,000	230,580,000	245,300,000	112,651,000	14,563,000	96,041,000	898,581,000
Source of Funds								
	Inception– FY21	Remaining FY21	FY22	FY23	FY24	FY25	FY26	Totals
Federal – STBG	2,449,778	-	-	-	-	-	-	2,449,778
Federal – CMAQ	33,200,000	-	-	-	-	-	-	33,200,000
State – TIRCP	-	-	40,000,000	-	-	-	-	40,000,000
State – SCCP	-	37,177,000	112,823,000	-	-	-	-	150,000,000
Local – Measure R 35%	23,507,960	-	2,563,901	65,493,239	7,804,840	14,563,000	24,934,818	138,867,758
Local – Measure M 35%	103,111,262	-	50,612,522	88,446,056	104,846,160	-	-	347,016,000
Local – Proposition A 35%	-	-	24,580,576	91,360,706	-	-	8,870,976	124,812,258
Local – Proposition C 25%	-	-	-	-	-	-	62,235,206	62,235,206
Local – City of LA/LAWA *	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Project Funding	162,269,000	37,177,000	230,580,000	245,300,000	112,651,000	14,563,000	96,041,000	898,581,000

* Offsets Expenditures incurred under C0991

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

Airport Metro Connector

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 potential cost increases to Measure R- and Measure M-funded projects and the strategies available to close any funding gaps. The Airport Metro Connector Project (AMC) is subject to this policy analysis.

The Airport Metro Connector Project is included in the November 2016 Measure M Expenditure Plan (entitled "Airport Metro Connect 96th St. Station/Green Line Ext LAX") at a cost of \$581,000,000 in 2015 dollars. The estimated Measure M Expenditure Plan cost in nominal or year-of-expenditure dollars is approximately \$637,000,000. AMC is also in the November 2008 Measure R Expenditure Plan (entitled "Green Line Extension to Los Angeles International Airport") at a cost of \$200,000,000 in 2008 dollars.

Metro is intending to set a Life-of-Project (LOP) budget, and this is an increase of \$261,581,000 to the most recent Measure R/M allocation, from \$637,000,000 to \$898,581,000. 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 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. Increases will be measured against subsequent actions on cost estimates taken by the Metro Board of Directors, including the determination of the LOP. 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 sub-region; and finally,
- 6) Countywide transit or highway cost reductions or other funds will be sought using pre-established priorities.

The Policy analysis considers options for the cost increase to AMC.

Scope Reductions or Value Engineering

Metro is intending to award a construction contract for AMC to the low bidder and any scope reduction or value engineering would require a rebid of the contract that will delay the schedule. Given AMC is one building, 100% designed, linked with the schedule of the Crenshaw/LAX line, and has involved extensive coordination with the City of Los Angeles on the design and components of the station, we recommend moving to the next step.

New Local Agency Funding Resources

AMC is located in the City of Los Angeles and is designated as a “System Connectivity” project in Measure M and a Regional Facility Area in the Policy. Paragraph 6) of the Policy requires that for Measure R Regional Facility Area projects “Cost increases regarding these projects will be addressed from the regional programs share,” and local agency funding is not being considered for the cost increase.

The city is not expected to contribute funding for AMC as part of the 3% local agency funding assumption included in the Measure R and specific provision in the Measure M ordinance.

Other Cost Reductions within the Same Transit Corridor

The corridor of AMC includes Crenshaw/LAX and the Green Line. However, AMC is designated as a “System Connectivity” project in Measure M and a Regional Facility Area in the Policy. Paragraph 6) of the Policy states that projects within the boundaries of regional facilities are exempt from the corridor and subregional cost reduction requirements of the Policy. Paragraph 7) of the Policy states that System Connectivity projects are exempt from corridor and subregional cost reduction requirements.

Other Cost Reductions within the Same Sub-region

The AMC is defined as a System Connectivity project in Measure M and a Regional Facility Area in Measure R. Paragraph 6) of the Policy states that projects within the boundaries of regional facilities are exempt from the corridor and subregional cost reduction requirements of the Policy. Paragraph 7) of the Policy states that System Connectivity projects are exempt from corridor and subregional cost reduction requirements.

Countywide Cost Reductions and/or Other Funds

AMC is eligible for \$200,000,000 of Measure R 35% and \$347,016,000 of Measure M 35% Transit funds as listed in the respective ordinance Expenditure Plan. A portion of the AMC Measure R 35%, \$61,132,242, has already been expended on the Southwest Yard, and is not available for AMC. The Measure M 35% can be fully allocated to the AMC project. AMC was also awarded \$40,000,000 from the State Transit and Intercity Rail and Capital Program and \$150,000,000 from the Solutions for Congested Corridors Program, and FTA has approved the use of \$35,649,778 of federal formula funds for planning work. As shown in the following table, the available, committed funds total \$711,533,536 and leaves a funding need of \$187,047,464.

AMC is additionally eligible for other local funds: Proposition A 35%, Proposition C 40%, Proposition C 25%, Measure R Rail Capital General Improvements 2%, Metro Lease Revenues, State Repayment Fund 3562, and Transportation Development Act Article 4 funds.

**Airport Metro Connector
Committed Funding (As of April 2021)**

<u>Sources</u>	<u>Amount</u>
Measure R - Transit Capital (35%)	\$138,867,758
Measure M - Transit Construction (35%)	347,016,000
Transit and Intercity Rail Capital Program (TIRCP)	40,000,000
SB1 - Solutions for Congested Corridors Program	150,000,000
Surface Transportation Block Grant Program (STBGP)	2,449,778
Congestion Mitigation & Air Quality Program (CMAQ)	<u>33,200,000</u>
Total, Committed Funding	<u>\$711,533,536</u>
 Proposed LOP Budget	 898,581,000
 Funding Need	 <u>\$187,047,464</u>

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. The most recent RIP funding was 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. However, the 2020 federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) allocated funding to the State, and the State decided to allocate a portion of the funding through the RIP. Metro expects a \$38 million increase in its RIP share.

Metro receives federal formula funding from the Congestion Mitigation and Air Quality (CMAQ) Improvement Program and the Surface Transportation Block Grant Program (STBG). Although AMC has received these federal funds for planning work, per the Federal Transit Administration, the project right-of-way and construction costs are not eligible for federal funds. Metro also receives an allocation of funds from the "Highway Infrastructure Program," which is a federal formula grant created in 2018 for uses that include the construction of highways, bridges, tunnels, transit capital, and ITS; operational improvements; highway and transit safety improvements; and pedestrian and bicycle projects, among others. Funding from this grant will be programmed in the pending 2021 Short Range Transportation Plan. The initial apportionments (FFY 2018 \$25,835,214, FFY 2019 \$36,399,992) from this program are only eligible for highway projects and will be allocated to those entering construction.

Recommendation

Staff recommends the use of \$124,812,258 of Proposition A 35% and \$62,235,206 of Proposition C 25% to address the \$187,047,464 funding need, as these are the most available of the eligible funding sources. To mitigate the impact on these local funding sources, which are allocated to other uses in the Metro Financial Forecast, \$62,235,206 of the Highway Infrastructure Program funds will be used on Metro highway projects that are currently 100% locally funded, and this will free Proposition C 25% for AMC. The \$38,000,000 increase in RIP from CRRSAA will be allocated to the East San Fernando Valley light rail project, and this will make an equal amount of Proposition A 35% available for AMC. These funding sources are only eligible for capital expenditures. The federal stimulus funds come from the capital project-only eligible portion of CRRSAA funding received by the State of California.