



## Board Report

File #: 2021-0785, File Type: Project

Agenda Number:

### CONSTRUCTION COMMITTEE JANUARY 20, 2022

**SUBJECT: RAIL TO RAIL ACTIVE TRANSPORTATION CORRIDOR PROJECT**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

CONSIDER:

- A. ESTABLISHING a life-of-project budget for the Rail-to-Rail Active Transportation Project (Project) in the amount of \$115,989,173; and
- B. AUTHORIZING the Chief Executive Officer to negotiate and execute Project related agreements, including contract modifications, up to the authorized Life-of-Project Budget.

#### **ISSUE**

A Life of Project (LOP) budget for the Project is required to execute contracts and pursue completion of the Project. Establishing the LOP budget at the time of contract award 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 and validation of responsiveness of hard bids) is available.

#### **BACKGROUND**

The Rail-to-Rail Active Transportation Corridor (ATC) Project ("Project") spans 6.4 miles along an east/west alignment from the future Metro K Line Florence/West station to just east of the existing Metro A Line Slauson station, improving multimodal connectivity in historically disadvantaged communities in South Los Angeles. This investment in a multi-use corridor for bicyclists and pedestrians will link together three regionally significant north-south transit lines in Metro's system (the Metro K Line (Crenshaw/LAX) Light Rail Transit (LRT), the Silver Line Bus Rapid Transit (BRT) located on the 110 Harbor Transitway, and the Metro A Line LRT, increasing mobility options, enhancing access to community-prioritized destinations, connecting with local Metro and municipal bus services located adjacent to and within one-quarter mile of the corridor, and provide a safer path of travel for the thousands of students, residents, and commuters who are anticipated to use the Project corridor daily for a variety of trip purposes. Upon completion, more than six miles of Class 1

bicycle path infrastructure will be in place, and safety for pedestrians and bicyclists will be significantly enhanced. Specific Project improvements to the corridor include:

- Remove existing rail track, ties, and ballast along the Metro ROW
- Pave asphalt concrete path for Class I multi-use Path and Class II Bike Lane
- Install safety features such as crosswalk markings, curb ramps, repainted stop bars, crossing signage, pedestrian crossing signals, striping, and medians at several intersections
- Construct new crosswalks at the I-110 ramps between the Metro station (located on the south side of Slauson Avenue) and the new facilities (located on the north side)
- Install landscape features such as trees, shrubs, and benches

Currently, pedestrians and bicyclists travel in this corridor with virtually no facilities to support their safe passage. Corridor characteristics can be described as an inconsistent mix of sidewalks, railroad, and roadway, and include residential neighborhoods on the south and light industrial and commercial abutting the western portion of the corridor on the north. Once the rail right-of-way (ROW) emerges on the north side of Slauson Avenue, the corridor is characterized as heavily traversed with automobile, truck, and public transit traffic. Safe, comfortable, and convenient access for existing bicycle and pedestrian volumes is significantly impeded by restricted amenities on the south side of Slauson Avenue, with narrow and over-crowded sidewalks. On the north side of Slauson Avenue (location of the Project ROW) sidewalks are nonexistent, creating an inadequate and unsafe passage for all users, including bus rider access to multiple bus stops along the Project corridor.

The Project is constructed upon right of way previously owned by Burlington Northern Santa Fe Railroad (BNSF). Negotiation with BNSF for the abandonment of freight rail operating easement on the ROW was completed in 2019 and included discussions, negotiations, and an easement abandonment determination made by the Surface Transportation Board. Metro now controls all abandoned rail right of way needed to complete the Project. Multi-use path conversion from rail usage typically requires dealing with known, potential, or perceived contamination along the railroad corridor. Soil contamination does not prevent the development of the path if necessary steps are taken to ensure safety to users. Metro staff has worked closely with the Department of Toxic Substances to develop a soil handling plan that mitigates contaminants on the right of way. In January 2021, soil mitigation and rail removal began along the right of way.

## **DISCUSSION**

Funding for this transformative project comes from various partners and sources, including local, state, and federal, as shown on Attachment A. A federal discretionary Transportation Investment Generating Economic Recovery grant (TIGER grant) anchors the project with a \$15,000,000 investment into the corridor. The California State Transportation Agency (CalSTA) provided

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\$8,000,000 in funding to resolve contaminated soil conditions along the right of way, and the state Active Transportation Program granted \$8,300,000. Local funding is provided through a County of Los Angeles “repurposed earmark” contribution in the amount of \$2,159,760 and a Measure W Safe, Clean Water Program grant of \$7,925,000. The City of Los Angeles (City) is also a financial partner for this Project, and the City Council has committed to performing the construction work within the public right of way located in the City jurisdiction in accordance with Metro’s schedule and grant deadline requirements. A Memorandum of Understanding (MOU) has been drafted and Metro and City staff continue to work closely to complete this action.

In addition, the County through Director Mitchell is considering a contribution of \$15,000,000 to enable the project. This funding is not yet included in the funding plan (Attachment A). If the county provides additional funding to support the project, this will reduce burden on other Metro funding sources.

There are several unique aspects related to the City funding and its impact on the LOP budget. The Project Issue for Bid (IFB) was released on April 5<sup>th</sup>, 2021. At the time of IFB, the scope of City commitment to the Project was unknown. The IFB documents were released with both public right of way and Metro right of way scope of work included, and work within the public right of way was separated into distinct design packages. Bids were received on July 16<sup>th</sup>, 2021, and upon receipt of bids the City requested to meet with Metro to discuss an appropriate way to fund public right of way work. On October 5, 2021, City Councilmembers Price and Martinez introduced a motion to the City Transportation and Public Works Committees, which directed City staff, in part, as follows:

INSTRUCT the City Administrative Officer (CAO), working with the Bureau of Engineering (BOE), StreetsLA, Los Angeles Department of Transportation (LADOT), Bureau of Street Lighting (BSL), and any other relevant City departments to:

- a. Review the work plan for the Segment A of the Rail-to-Rail Project scope elements in the City’s right-of-way to verify the funding amount necessary to complete the work.
- b. Prepare a multi-year funding plan that includes a comparison of the cost and availability of using City forces versus contractors to construct the necessary improvements and a recommendation whether to fulfill the City’s contribution via in-kind work or a cash payment.
- c. Negotiate an MOU with the Metro, with the final MOU to be presented to Council for approval, which effectuates the above recommendations, memorializes the City’s contribution, valued at up to \$30 million, and highlights the roles and responsibilities of the City’s construction and that of Metro and their contractor.

The Transportation Committee approved the motion on October 5<sup>th</sup>, 2021 and the Public Works Committee approved the motion on October 13<sup>th</sup>, 2021.

Because the IFB included all scope for the Project, including elements of work within the public right of way, the City’s commitment to fund elements of the Project in the public right of way made it necessary to negotiate with the low bid Contractor to remove those elements. Therefore, the LOP budget in this recommendation considers the City’s contribution to the project in an amount yet to be determined and reflects a reduction of \$24,437,000 in the low bid Contractors contract value. The reduction in the low bid Contractors contract value combines the removal of all scope within the

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public right of way with schedule and value engineering savings, which reduce the Project's overall costs.

Metro and the City continue to operate in good faith to finalize the MOU and reach amenable terms that allow both parties to deliver the Project in a befitting manner.

### **Equity Platform**

The Project will expand economic opportunities for the residents of Los Angeles, particularly the historically underserved community located in the Project area, by ensuring that local and regional residents can move safely to and from home, work, school, and various other activities. The corridor has a high volume of people that rely on public transit and elevated bicycle and pedestrian activity. Specifically, 18.7 percent of households in the Project area have zero car available. Nearly 4,300 pedestrians and 2,500 cyclists utilize the corridor daily and the corridor lies within the City of Los Angeles Vision Zero Network. The latest American Community Survey (ACS) estimates show that the Project area has nearly doubled the Los Angeles County average for transit usage and near-average percentages of commuters walking and cycling to work. The Project area also has a much higher population density than the county average. Neighborhoods within and adjacent to the Project area contain some of the highest population densities in the county. All census tracts within the Project area have median household incomes below the county median and the Project area has a large Black and Latino population. The Project area's population density, percentage of zero-vehicle households, people relying on transit, and median household income of less than \$15,000 all indicate not just a need for this Project, but a favorable demographic profile for usage of an ATC with clear equity benefits including safer pedestrian and bicycle infrastructure, greater public health (walking/biking), and improved connections to public transit including both bus and rail.

Compared to other communities in Los Angeles County, the Project area has many unique destinations, including many Social Service Organizations (SSOs) and other agencies that provide various services for the area's economically disadvantaged children, adults, and seniors. Because the Project area has such a high number of disadvantaged residents, access to the nine different social service centers is very important. The pedestrian and bicycle path will provide safer and more direct travel for current residents, enhancing their ability to access regional employment centers including downtown Los Angeles, Los Angeles International Airport (LAX), the Ports of Los Angeles and Long Beach, and the University of Southern California, and many others throughout Los Angeles County. There is an array of amenities available within the project area, including multiple schools, parks, and medical centers. Many individuals walk or bike to these facilities, and this project will support their ability to access important services. Between 1/2-mile to 3-miles, a comfortable and convenient distance for most cyclists, are many more key destinations. There are several key employment centers in the project area that are accessible within a 3-mile radius. The Rail to River Active Corridor Project will enhance travel to these employment centers via active transportation modes. Key retail destinations include Chesterfield Square, which houses the local Home Depot with active and organized day-labor activities. The Project area includes key medical facilities accessed by residents that offer a broad spectrum of services to area residents. In summary, the Project will establish a strong backbone system for connectivity between residential areas, schools, recreational facilities, medical facilities, community services, employment areas, and shopping centers. By

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enhancing links to existing multimodal connections, developing a new, safer route for pedestrians and bicyclists, the Project will address existing transportation barriers and connect residents to these key social and employment hubs. This improved connectivity for various transportation modes will provide ladders of opportunity to area residents and support existing businesses in the corridor. The benefit-cost analysis conducted for the TIGER application estimates that this Project will generate economic Competitiveness benefits of nearly \$9 million.

### **DETERMINATION OF SAFETY IMPACT**

This recommendation would significantly improve pedestrian and bicycle safety along the Slauson corridor. The current Slauson corridor provides limited bicycle and pedestrian facilities. Sidewalks are used where possible but are discontinuous, and traffic volumes on the roadways are significant. Bicyclists weave between sidewalks and roadways and in some areas of the corridor, pedestrians walk on existing railroad facilities. Pedestrian and bicycle crossings are unsafe in some parts of the corridor as well. The Project scope addresses these safety concerns and strives to lower interactions between vehicles and pedestrians/bicyclists.

### **FINANCIAL IMPACT**

This is a multi-year Project. Upon approval of the Life of Project budget, staff will manage the Project within the Board approved fiscal year budgets. It is the responsibility of the Chief Program Management Officer to budget for this project in future fiscal years.

The funding plan for the project, including sources and uses, is included as Attachment A.

#### **Impact to Budget**

The funding sources are subject to change based on availability and eligibility at the time of expenditure. These funds are not eligible for bus or rail operations.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The Project furthers goals outlined in Metro's Bicycle Transportation Strategic Plan (2006 Bike Plan) and First Last Mile Strategic Plan (2014) by creating safe connections to surrounding neighborhoods, expanding the reach of transit through infrastructure improvements, and maximizing multi-modal benefits. Metro plays an important role in bicycling planning across Los Angeles County, facilitating first mile/last mile connections to transit and supporting bicycle transportation through various policies and programs. Metro's 2006 Bike Plan established policies and priorities for bicycle transportation, improving access to transit, and encouraging and promoting bicycling-specific activities and events

Additionally, this recommendation supports Metro's strategic goal #1 by providing high-quality mobility options that enable people to spend less time traveling. Metro acknowledges the need for partnerships with local, regional, and state authorities to leverage funding to maintain streets, highways, and shared freight rail corridors in a state of good repair for all users.

**ALTERNATIVES CONSIDERED**

The Board may choose not to move forward with the establishment of an LOP budget. This is not recommended as this will jeopardize TIGER grant deadlines.

**NEXT STEPS**

Upon Board approval of the recommendations, staff will move the Project forward into construction.

**ATTACHMENTS**

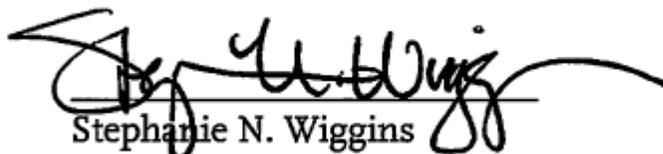
Attachment A - Sources and Uses

Prepared by:

Brad Owen, Executive Officer Program Management (213) 418-3143

Reviewed by:

Bryan Pennington, Chief Program Management Officer. (213) 922-7449



Stephanie N. Wiggins  
Chief Executive Officer

**FUNDING AND EXPENDITURE PLAN**  
**Rail to Rail (R2R Segment A)**

ATTACHMENT A

<b>Use of Funds</b>	<b>Inception thru FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26+</b>	<b>Total Capital Costs</b>
Design Phase Total	18.9	-	-	-	-	18.9
<b>Construction Phase</b>						
TRC Hazardous Materials Clean-up/Taxes	8.0	-	-	-	-	8.0
Construction Contract C1166	5.0	15.5	25.5	14.8	-	60.8
City Infrastructure Coordination (incl. traffic control)	0.3	0.8	0.8	0.5	-	2.3
3rd Party Agreements - City/County/Others	0.3	1.1	0.9	0.8	-	3.1
Design Support During Construction	0.7	0.7	0.8	0.7	-	2.9
CMSS and Program Mgmt Consultants	0.8	1.4	2.4	1.4	-	5.9
Environmental Cleanup (DTSC)	0.5	0.5	0.5	0.1	-	1.6
Other Professional Services (DEOD)	0.0	0.2	0.2	0.2	-	0.5
Outreach/Unhoused	0.0	0.2	0.2	0.2	-	0.6
Artwork/Signage (Fabrication/Installation/Staff)	-	0.0	0.1	0.2	-	0.3
Agency Costs: Project Control, V/CM, Safety, Communications, Quality, Sustainability., etc.	0.5	1.6	1.6	1.6	-	5.2
Unallocated Project Contingency	-	-	-	-	6.1	6.1
Construction Phase Total	16.0	21.8	32.9	20.3	6.1	97.0
<b>Total Project Cost</b>	<b>34.9</b>	<b>21.8</b>	<b>32.9</b>	<b>20.3</b>	<b>6.1</b>	<b>116.0</b>
<b>Source of Funds</b>	<b>Inception thru FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26+</b>	<b>Totals</b>
TIGER Grant	10.5	4.5				15.0
Soil Mitigation Grant	8.0					8.0
Mmeasure R - Admin (1.5%)	16.4					16.4
LA County Measure W Grant		7.5	0.5			7.9
LA County Repurposed Earmark		2.2				2.2
LA County ARP Funds						-
Active Transportation Program Grant		6.0	2.3			8.3
Other Federal, State, Local fund*		1.7	30.1	20.3	6.1	58.2
<b>Total Project Funding</b>	<b>34.9</b>	<b>21.8</b>	<b>32.9</b>	<b>20.3</b>	<b>6.1</b>	<b>116.0</b>

\* Metro will continue to seek eligible federal, state and local funds for Active Transportation.