



Board Report

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Agenda Number: 16.

CONSTRUCTION COMMITTEE JULY 17, 2024

SUBJECT: METRO G LINE IMPROVEMENTS PROJECT STATUS REPORT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE status report on the Metro G Line Improvements Project.

ISSUE

The Project uses the Progressive Design Build (PDB) delivery method, which was selected to provide Metro with the ability to negotiate scopes of work to maintain affordability for the Project. This report provides updates on community outreach and third-party and grant funding coordination efforts that have transpired subsequent to the presentation of scope refinements communicated at the November 2023 Committee meeting.

BACKGROUND

The Project seeks to improve transit ridership through safety enhancements and improvements designed to increase operating speeds, which will benefit customers and the surrounding communities of the San Fernando Valley. The Project has allocated funding of \$391M, including Measure M (\$286M), SB-1 (\$75M) and Safe Clean Water Program (Measure W) (\$30M).

The Project uses the Progressive Design Build (PDB) delivery method, which was selected to provide Metro with the ability to negotiate scopes of work to maintain affordability for the Project. Under traditional delivery methods such as Design-Bid-Build, the scope is set at the time of bid with a contract price submitted to Metro, and increases to the contract price are realized through change orders received throughout the life of the project. This often results in a need to increase funding to projects late in the life cycle. Using a two-phase PDB delivery method and appropriate allocation of risk and contingency early in the preconstruction process, Metro can receive pricing for elements of the project and can negotiate, and eliminate as needed, scope from the project to achieve cost certainty and value for money.

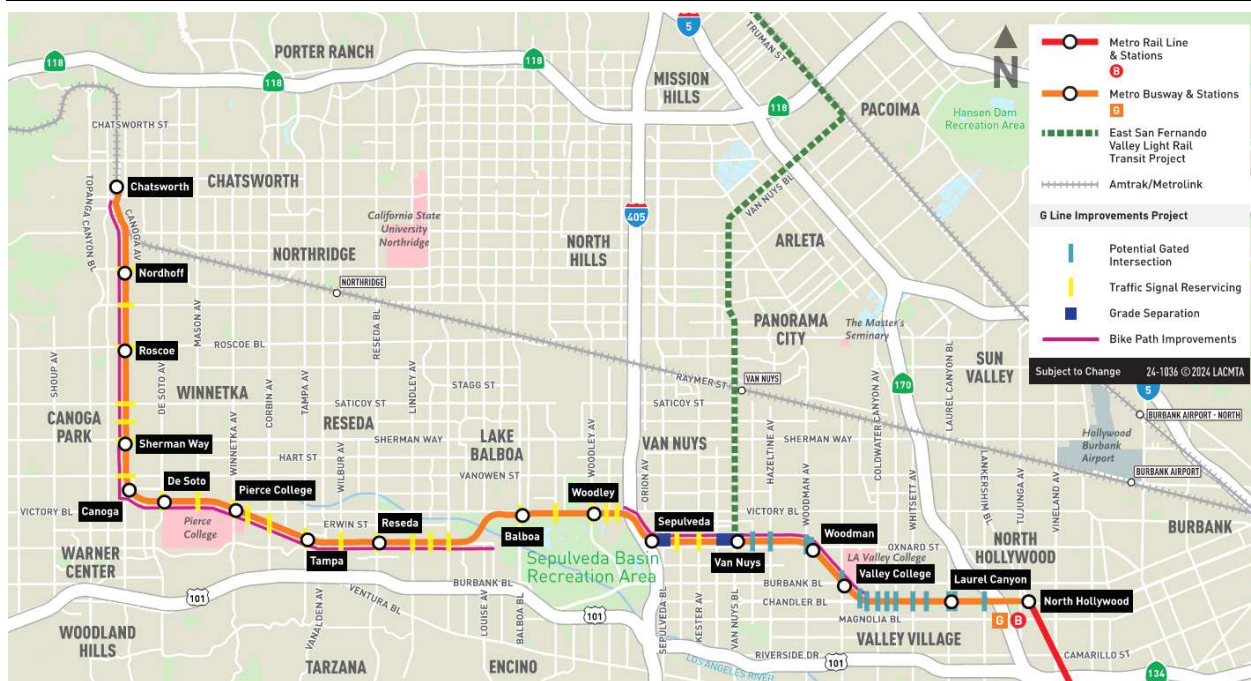
In November 2023, Project staff informed the Committee that based upon contractor and Metro estimates for the cost of Phase 2, allocated funding for the Project is not sufficient to cover costs of

the original scope. In partnership with the contractor, Valley Transit Partners (VTP), Metro evaluated value engineering (VE) and scope alternatives that could allow the Project to achieve the stated objectives of improved safety and reduced trip times at a reduced cost from the current estimates.

The recommended refinements, which are consistent with the recommendations presented at the November 2023 Committee, are outlined in the below table.

Project Improvements	Original Scope	Scope Refinements/Value Engineering
Grade Separations	Grade separated busway structures over: 1. Sepulveda Bl 2. Van Nuys Bl 3. Vesper Av	No Change
Stations	Van Nuys and Sepulveda Stations reconstructed on the new bridge structure.	Van Nuys Station reconstructed on the new bridge structure. Sepulveda Station to remain in its current location with improved bike/pedestrian access and amenities.
Gated Intersections	Four-quadrant gates at <u>up to</u> 35 at-grade crossings between the North Hollywood and Chatsworth Stations.	Four-quadrant gates at 13 intersections between Colfax Av and Tyrone Av Traffic Signal Reservice (TSR) proposed at remaining intersections.
Bike Path Improvements	At-grade bicycle and pedestrian improvements along 14 miles of existing Class I bike path from Chatsworth to Valley College Stations. Improvements through Sepulveda Basin owned by Army Corps of Engineer and operated by the City of Los Angeles Recreation and Parks	At-grade bicycle and pedestrian improvements along 14 miles of existing Class I bike path from Chatsworth to Valley College Stations.

The updated Project map that reflects the latest Project scope refinements is pictured below.



Over the last seven months, Project staff have conducted community outreach, engaged funding partners, and coordinated with third parties to familiarize all stakeholders with the scope refinements. This report details these efforts and informs the Board of upcoming milestones and anticipated actions.

DISCUSSION

Community Outreach:

Following the November 2023 meeting, community relations staff continued outreach efforts to local communities to provide updates on Project scope refinements and gather feedback through presentations to the SFVCOG and its Transportation Committee, LA City Council offices, local Neighborhood Councils, the Victory Park Neighborhood Association, and chambers of commerce such as the Valley Industry & Commerce Association. Staff participated in numerous community events where booths were set up to inform stakeholders about the Project's status and scope refinements and conducted pop-up outreach to engage both Metro transit riders and bicyclists at the G Line Sepulveda Station. Project collateral materials and a Project map board were presented in English and Spanish to facilitate discussions.

Metro also hosted two community update meetings for the G Line: one on Saturday, May 11, at the Marvin Braude Constituent Center in Van Nuys, following an earlier community meeting for the Sepulveda Transit Corridor Project, and a virtual meeting at 6 pm on May 15. Meeting notices were provided in English and Spanish and distributed to an estimated 30,000 addresses located ¼ of a mile from the Project alignment. The presentations and collateral materials were presented in English and Spanish. Bilingual project team members staffed the meetings, and simultaneous Spanish language interpreting services were also available. Presentations as well as the recording of the virtual meeting were posted on the Metro website, and the link to the presentations and recording

was shared with stakeholders via email. The total attendance for both community meetings was estimated at 70 people.

During the course of outreach about the scope refinements, community members asked questions about Metro's use of value engineering, locations for the gates, connectivity at Sepulveda Station, traffic impacts, traffic signal reservicing, changes in travel time savings, future conversion of the G Line to light rail, real estate, and bus and bike path detours during construction. The majority of community members understood the necessity of the scope refinements and expressed support for the Project. The input and responses from community members did not result in changes with respect to staff recommendations. For the few stakeholders that expressed disfavor with the scope refinements, the primary issue of concern was the perception that the San Fernando Valley has historically been overlooked with respect to transportation investments. Staff will continue to engage with stakeholders and community groups including Equity Focus Communities (EFC), and local elected officials ahead of the start of major construction anticipated for Fall 2024.

SB-1 Grant Funding:

The project's \$75M in SB-1 grant funding, which was awarded at the California Transportation Commission (CTC) May 2018 meeting, is tied to the grade separations, gated intersections and bike path improvements scope of the project. As presented at the November Construction Committee, staff recommends the elimination of the aerial station at Sepulveda and the removal of the bike path scope within the Army Corps of Engineers jurisdiction. Staff also presented the value engineering proposal to refine the gated intersections scope from 35 gated intersections to 13 gated intersections with traffic signal reservicing (TSR) at the remaining intersections. The gated intersections VE proposal is anticipated to reduce Project Phase 2 costs by upwards of \$150M but reduces the travel time savings from the original Project objective of 16 minutes to 12 minutes. As a follow-up to several meetings with Caltrans and CTC representatives, Metro staff submitted a request for SB-1 grant scope change approval to the State. On May 17, 2024, the CTC unanimously approved the G Line Improvements Project Scope Amendment with an approximate \$11M grant reduction, commensurate with reductions in travel time and bike path improvements. The Project is currently undergoing its latest round of estimating, inclusive of the scope refinements, and expects to successfully offset the loss in grant funding with cost reductions that do not require further changes in scope.

Measure W Grant Funding:

Safe Clean Water Program (Measure W) funding obtained by Metro and a cost-share provided by Metro's project funding partner, the Los Angeles Department of Water and Power (LADWP), was intended to fully fund the Stormwater Capture component of the Project. However, the Stormwater Capture 30% cost estimate for Phase 2 totaled approximately \$76M, which significantly exceeded the \$34.5M Safe Clean Water Program allocated funding and \$11.09M LADWP cost-share. Furthermore, results from field investigations confirmed that the actual infiltration rates were less than 20% of anticipated infiltration rates, and the Project would not meet infiltration rates necessary to satisfy the grant requirements. Staff gave direction to the contractor to freeze design development at 60% until resolution was met on funding and infiltration requirements and pending further coordination with LADWP and Safe Clean Water Program. On November 30, 2023, staff submitted a Project Modification Request to the Safe Clean Water Program, proposing a reduced scope Project and

presented the request to the Upper Los Angeles River Watershed Area Steering Committee (ULAR WASC) at the January 25, 2024, and April 3, 2024 meetings. At the latter meeting, the ULAR WASC voted to remove the Project from the County's Stormwater Investment Plan and discontinue all future remaining funding. Without a funding source, Staff has proceeded with steps to remove the remaining scope from the Project.

Third-Party Coordination:

The introduction of the value engineering proposal to install TSR requires close coordination with the Los Angeles Department of Transportation (LADOT). TSR scope includes the replacement of the existing LADOT traffic signal system with a new system capable of dynamically sequencing traffic signal phases. In pursuing this alternative, staff have coordinated closely with LADOT and received confirmation that LADOT is in support of the scope, provided Metro covers the cost of installation, integration and training of the new traffic signal controller. Staff will continue to coordinate closely with LADOT through the design, construction, testing, and commissioning of the new system.

PDB Contract Status:

The G Line Project is at a critical stage of transition between Phase 1 (design and preconstruction services) and Phase 2 (final design and construction) of the PBD contract. Staff have successfully negotiated an Early Works Package (EWP) to progress the design of Van Nuys Grade Separation and Bike Path Improvements to Approved For Construction. Three more EWP proposals are currently under negotiation: one to test gate activation technology, a second to construct a fiber bypass that will allow G line stations to remain in operation during construction of the grade separations, and a third for the survey and design of new a fiber backbone through the B Line necessary to bring the Van Nuys Station online and support the new Van Nuys light rail station. The successful negotiation and execution of multiple EWP's is the best opportunity for the Project to start construction this year and to meet Measure M and Olympic milestone dates.

At present, the Project is undergoing its third estimating effort whereby both the Contractor and Metro are developing estimates for Phase 2 work inclusive of the latest scope refinements. Despite the \$11M reduction in SB-1 grant funding, staff will strive to offset the loss of grant funding with cost reductions that do not require further changes in scope. Estimates continue to reflect a Project that exceeds available funding. Staff continue to negotiate with the Contractor to ensure fair and reasonable pricing for all elements of the Project scope. As previously reported to the Committee, it is possible that a final contract price cannot be negotiated with the current Contractor. Should this occur, staff would exercise an off-ramp and would complete all or a portion of the scope under an Issue for Bid procurement strategy that could result in a low bid lump sum contract, similar to a traditional procurement. If negotiations are successful and fair and reasonable pricing can be reconciled this summer, staff will return to the Board in September to request approval of the Phase 2 scope included in this report and a corresponding Life of Project (LOP) Budget.

In summary, through extensive coordination over the last seven months, staff have secured support for scope changes related to grade separations, gated intersections, and bike path improvements from both the community and funding partners. Staff has also received clarity that the stormwater capture component is not a viable scope package and has removed it from the project. These scope

refinements have reduced allocated funding from \$391M to approximately \$350M. The estimated Project costs continue to exceed available funding, and staff are negotiating fair and reasonable pricing with the Contractor. Should negotiations be unsuccessful, staff will be prepared to implement an off-ramp plan and move the Project forward utilizing traditional delivery methods.

EQUITY PLATFORM

The Project seeks to improve transit passenger experience and pedestrian safety through the construction of grade separations, vehicle and pedestrian crossing gates, first/last mile improvements, and ADA-accessible features along the entire G Line alignment. The proposed removal of Project scope has an impact on the quantity of improvements made but does not impact the quality of the portions that remain and are intended to serve more vulnerable travelers.

Although the number of crossing gates have been reduced from 35 to 13, the recommended alternative preserves 12 of the anticipated 16 minutes of end-to-end run time savings, in part due to the introduction of TSR at non-gated intersections. The scope refinements also reduce cross-traffic delays and decrease CO2 emissions compared to original scope. Reductions in scope to the bike path improvements are minimal, and the planned bike path improvements are materially the same as originally planned. Impacts to the community due to construction, where noise and vibration, pollution, and construction traffic may create adverse situations for individuals near the alignment, will be reduced as the scope of the Project is reduced. For the Sepulveda Station location, all passengers, including those boarding and alighting at Sepulveda, will gain travel time benefits by not having to stop at red lights at the Sepulveda intersection. There are anticipated accessibility benefits to an at-grade station as patrons with mobility issues will not be impacted by any intermittent outages due to maintenance or malfunction of elevators and escalators to get to the boarding platform. Maintaining the at-grade station at its current location also improves station proximity to the approximately 10-acre site currently proposed for joint development under the Agency's 10,000 Home Acceleration Strategy. The Project, as originally planned, passes through or is adjacent to 18 EFCs, including communities in Van Nuys, Reseda, Canoga Park, and West Valley.

The deletion of the Stormwater Capture scope has no immediate impact on the surrounding communities as the water was being diverted from underground storm drains and was intended to recharge groundwater. There will be a reduction in construction impacts to communities due to the scope deletion.

Additional consideration will be given to the potential impacts created by bus and bike detours, and lessons learned will be drawn from the recent A Line and L Line bus detours, such as proper and timely notification provided in multiple languages, concise and prominently located signage, and having Metro Ambassadors to facilitate minimize impacts related to the disruption. Staff is currently increasing outreach efforts as construction nears and will continue to engage stakeholders, including those in EFCs about the proposed scope changes and construction activities through direct field visits, pop-up outreach at G Line stations, bike path and community events, presentations to the Metro Service Council, local area Neighborhood Councils and chambers of commerce, briefings for local elected officials, collateral material distribution, and regular in-person and virtual community update meetings. Community presentations and informational materials will be provided in English and Spanish, and bilingual staff and professional language interpreters will be available at community

meetings. Staff will continue to participate in outreach events to engage with community members in the project area, including Van Nuys, Reseda, Canoga Park, and the West Valley.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Strategic plan goal # 1, Metro will expand transportation options, improve the quality of its transit network and assets, and take steps to manage demands on the entire network.

Strategic plan goal #5, Metro will provide responsive, accountable, and trustworthy governance within the Metro organization.

NEXT STEPS

Moving forward, staff will continue outreach and engagement with impacted stakeholders, especially Metro G Line customers. The Project team is currently in negotiations with VTP for a major construction EWP. Staff will continue to look for opportunities for cost savings and value for money through the negotiation process and will return to the Board to approve the package. Staff intend to return to the Board in the fall to request approval of the Phase 2 scope and Life of Project (LOP) Budget.

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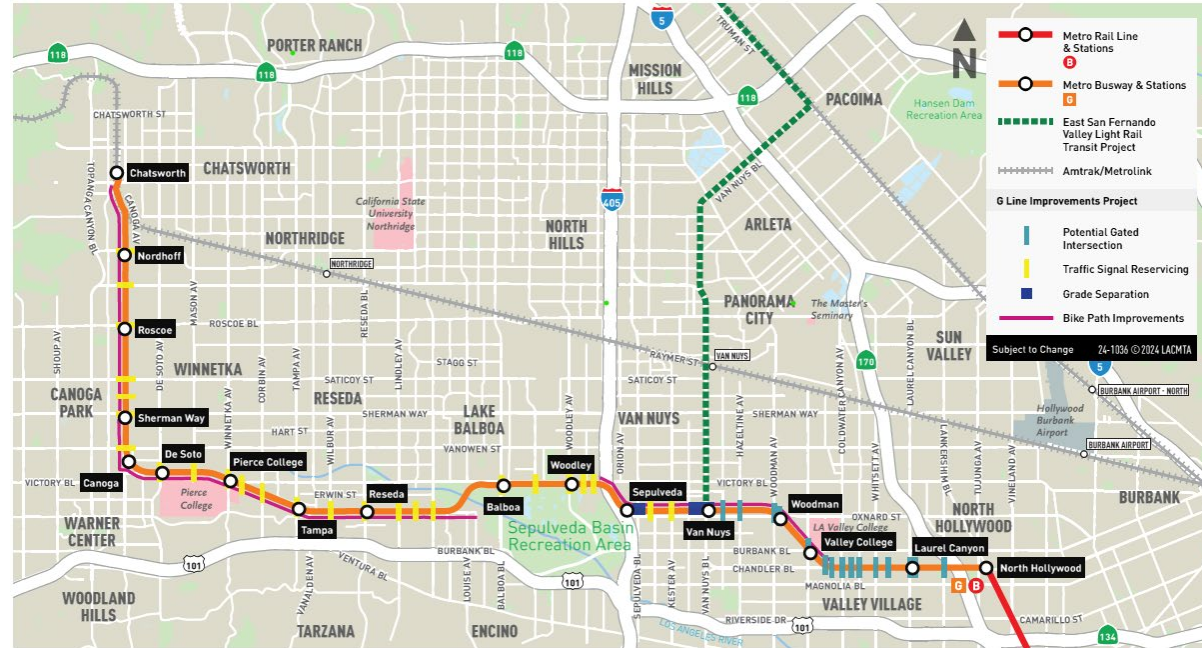


Stephanie N. Wiggins
Chief Executive Officer

Project Funding/Location

For Internal Use

- > 2027: BRT Improvements
 - Measure M and SB-1 Local Partnership Grant Program: \$350 million
- > 2057: BRT Conversion to LRT
 - Measure M: \$1.4 billion
- > Measure W Funding and SB-1 Funding Reduced



FOR INTERNAL USE



2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026

❖ **06/2016** G Line (formerly Orange Line) BRT Improvements identified for funding in Measure M

07/2027 Measure M Funding Deadline ❖

12/2017 – 03/2021
Preliminary Engineering

❖ **01/2018** Metro applied for SB-1 Grant Funding

❖ **07/2018** Metro Board determination that Project is Statutorily Exempt, pursuant to CEQA

11/2018 – 12/2023
Right of Way Property Acquisition

03/2020 – 12/2023
Advanced Utility Relocations (By Utility Owner)

❖ **01/2022** Measure W funded Water Infiltration and Quality Project scope added

❖ **11/2022** Progressive Design Build Contract Notice to Proceed (NTP)

11/2022 – 10/2024
Phase I: Design & Precon Services

04/2024 – 12/2026
Phase II (Incl. EWPs) : Final Design,
Construction, Testing



Scope Refinements Proposed at November Board

For Internal Use

Project Improvements	Original Scope (30%)	30% Construction Cost (\$)	Value Engineering (Current Scope)	Current Construction Cost (\$)
Grade Separations	Grade separated busway structures over: 1. Sepulveda Bl 2. Van Nuys Bl 3. Vesper Ave	Included in Stations Cost Below	No Change	Included in Stations Cost Below
Stations	Van Nuys and Sepulveda Stations reconstructed on the new bridge structure.	\$401,314,441	Van Nuys station reconstructed on the new bridge structure. Sepulveda station to remain in its current location with improved bike/pedestrian access and amenities.	\$262,921,714
Gated Intersections	Four-quadrant gates at up to 35 at-grade crossings between the North Hollywood and Chatsworth Stations.	\$272,996,288	Four-quadrant gates at 13 intersections between Colfax Ave and Tyrone Ave Traffic Signal Reservice (TSR) proposed at remaining intersections.	\$131,397,950
Bike Path Improvements	At-grade bicycle and pedestrian improvements along 14 miles of existing Class I bike path from Chatsworth to Valley College Stations.	\$16,686,499	At-grade bicycle and pedestrian improvements along 14 miles of existing Class I bike path from Chatsworth to Valley College Stations, with refinements to lighting and civil scope.	\$5,238,577



- > \$75M in SB-1 grant funding awarded at the California Transportation Commission (CTC) May 2018 meeting
- > Funding is tied to the grade separations, gated intersections and bike path improvements scope of the project.
- > After the November 2023 Board Meeting, and as a follow-up to several meetings with Caltrans and CTC representatives, Metro staff submitted a request for SB-1 grant scope change approval to the State consistent with the scope refinements presented to the Board in November
- > On May 17, 2024, the CTC unanimously approved the G Line Improvements Project Scope Amendment with an approximate \$11M grant reduction, commensurate with reductions in travel time and bike path improvements.

- > \$34.5M Measure W funding obtained by Metro and a cost-share of \$11.09M provided by LADWP, was intended to fully fund the Stormwater Capture Stormwater Capture
- > Field investigations determined Project as proposed would not meet infiltration rates necessary to satisfy the grant requirements, actual infiltration rates were less than 20% of anticipated infiltration rates.
- > 30% cost estimate for Phase 2 totaled approximately \$76M, which significantly exceeded allocated funding
- > November 30, 2023, staff submitted a Project Modification Request to the Safe Clean Water Program, proposing a reduced scope Project and presented the request to the Upper Los Angeles River Watershed Area Steering Committee (ULAR WASC) at the January 25, 2024 and April 3, 2024 meetings. At the latter meeting, the ULAR WASC voted to remove the Project from the County's Stormwater Investment Plan and discontinue all future remaining funding.



- > **Pre-November 2023 Board Meeting:** Staff conducted outreach to inform key stakeholders about the Project scope refinements.
 - **Engagement Activities:**
 - Metro Board staff
 - State and Federal elected offices
 - Los Angeles City Council offices along the project alignment
 - San Fernando Valley Council of Governments staff

- > **Post November 2023 Board Meeting:** Ongoing outreach efforts
 - **Presentations To:**
 - San Fernando Valley Council of Governments and its Transportation Committee
 - LA City Council offices, 2, 3, 4, 6 & 12
 - Local Neighborhood Councils
 - Victory Park Neighborhood Association
 - Valley Industry & Commerce Association

- **Community Events:**

- Ready for Reseda
- Sepulveda station pop up
- Bike Path pop up
- Rising for Reseda
- San Fernando Valley Pride

- **Community Meetings:**

- May 11, 2024, Van Nuys
- May 15, 2024, ZOOM
- 30K meeting notices distributed



- **Next Steps:**

- Continue engagement with stakeholders and community groups
- Continue elected official briefings
- Project Office Open House for elected officials, Fall 2024
- Develop collateral materials for bike and bus detours, Summer 2024
- Community Meetings in advance of the bike and bus detours, Fall 2024

