



Board Report

File #: 2026-0460, **File Type:** Informational Report

Agenda Number: 16.

**CONSTRUCTION COMMITTEE
JULY 15, 2026**

SUBJECT: THIRD PARTY ADMINISTRATION - CITY OF LOS ANGELES

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute the FY27 Annual Work Plan Budget for the City of Los Angeles (Attachment A).

ISSUE

During the planning, design, construction and maintenance phases of Metro projects, a significant amount of support is required from local jurisdictions via an Annual Work Plan (AWP). The AWP serves as a commitment from the agency for the reimbursement of services by the City of Los Angeles reviewing departments for an estimated amount of services. The City of Los Angeles requires the AWP process as a means to budget toward the level of effort needed to support the projects. This method allows for the delivery of support in a timely manner thereby keeping projects on schedule

BACKGROUND

In April of 2024, a new Master Cooperative Agreement (MCA) was executed between Metro and the City of Los Angeles. The intent of the agreement is to establish a streamlined process among both entities to successfully construct Metro's ongoing projects. A primary function of the MCA is to clearly identify a yearly budget for each City department to provide those City services, which is labeled the AWP. This work plan is consistent with the principles of the new MCA, which contains a streamlined escalation ladder, improved processes for design reviews and acceptance, early involvement and improved collaboration processes, and the inclusion of a Project Liaison to coordinate across City departments for future mega projects.

DISCUSSION

The AWP funds Metro's project plan reviews from various City of Los Angeles departments to support design and construction project plans on an annual basis. These services are essential for streamlining project delivery, which includes expediting plan reviews and approvals, ensuring quality and effective construction measures, timely inspections, and other functional efforts as described

above. All services are centered to avoid delays and promote cost saving measures to effectively deliver the projects with minimal impacts on the community and provide benefits of enhanced mobility and regional access to underserved populations within the respective project areas.

Without the AWP process, the Agency would be subject to submitting design packages and permit requests via the retail counters at each respective Bureau and Department. This would put Metro in the queue with all others seeking development services from the City thereby increasing time to review and almost certainly opening projects up to the risk of delay.

The action contained herein provides funding for the City of Los Angeles participation in projects within the limit of the current approved FY27 budget for Third Party review and maintenance (Attachment A).

Metro's efforts to proactively manage these costs will include the following:

- A. Controlling the design review process through the early coordination of design efforts to define scope and establish/clarify standards and requirements.
- B. Clearly communicating required supporting documentation and justification
- C. Reviewing submittals for completeness.
- D. Ensuring that third party requirements are identified and addressed prior to sending to the third party.
- E. Reviewing timesheets with each third-party organization on a monthly basis to ensure that the hours charged are appropriate.
- F. Conducting executive and staff level partnering with third parties.

The MCA and AWP are currently based on a reimbursement model for work performed by the City supporting Metro projects. In light of Executive Directive 16, issued by Mayor Bass on October 17, 2025, the City and Metro are exploring adjusting the funding model to the City in areas where permit streamlining and development of innovative measures to accelerate project delivery are implemented. Approval of this item does not limit the City or Metro to advance these discussions.

DETERMINATION OF SAFETY IMPACT

The recommended action has no impact on safety.

FINANCIAL IMPACT

The funding of \$37,064,243 which may be obligated and spent under this one-year work plan, is included in the adopted FY27 budget in the projects requiring the services to be performed by the City of Los Angeles as outlined in Attachment A. Since these are multi-year projects, the Project Managers and the Chief Program Management Officer will be responsible for budgeting future year's costs. These fund sources are not eligible for rail and bus operating expenses. This action does not create any new financial obligations for the agency.

EQUITY PLATFORM

While considering the projects, Metro will provide an estimated 42 miles of new transit and active transportation systems (pedestrian, bicycle, rail and bus) and 11 potential passenger stations within the City of L.A limits and within and near eight Equity Focus Communities (EFC). This Board item action will reduce the likelihood of transit and active transportation project delays as well as provide other tangible benefits to people travelling in Los Angeles. This includes expedited, streamlined projects that improve safety and access for multimodal users with minimal negative impacts to local communities. This will ultimately lead to our operating system providing a world class transit system with reduced air and noise pollution, more walkable neighborhoods, better transportation amenities for individuals with disabilities, less congestion and collisions, and will ultimately better connect communities. Not approving this action will have delays on the projects, which will ultimately affect the users of the system.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

While this item does not directly encourage taking transit, sharing a ride, or using active transportation, it is a vital part of Metro operations, as it facilitates the progress of critical work with the City of Los Angeles departments to reduce red tape and improve outcomes in the planning and construction of Metro projects, which will serve to reduce VMT. Because the Metro Board has adopted an agency-wide VMT Reduction Target, and this item supports the overall function of the agency, this item is consistent with the goals of reducing VMT.

*Based on population estimates from the United States Census and VMT estimates from the highway performance monitoring system data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Metro's transit projects support the following strategic plan goals identified in Vision 2028:

- Goal 1: Provide high-quality mobility options that enable people to spend less time traveling.
- Goal 3: Enhance communities and lives through mobility and access to opportunity and.
- Goal 5: Provide responsive, accountable, and trustworthy governance within the Metro organization.

By executing the Annual Work Plan for FY27 and allowing the City departments to continue reviewing plans and performing support work while advancing Metro's transportation projects, it would positively support Metro's overall plan and goal of expanding the transportation network, increasing mobility for all users and improve LA County's overall transit networks and assets.

ALTERNATIVES CONSIDERED

The Board may reject the recommendation and direct us to include this work under Construction or Professional Services contracts. This is not recommended because it will have the effect of significantly delaying Metro projects.

NEXT STEPS

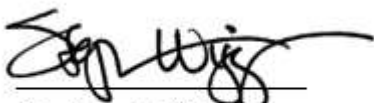
Upon Board approval of the AWP, the City of Los Angeles will submit the annual work plan to the Los Angeles City Council and Mayor's Office for adoption.

ATTACHMENT

Attachment A - FY27 Annual Work Plan Anticipated Budget for the City of Los Angeles

Prepared by: Eduardo Cervantes, Executive Officer; 213-922-7255

Reviewed by: Timothy Lindholm, Chief Program Management Officer;
213-922-7297


Stephanie Wiggins
Chief Executive Officer

ATTACHMENT A

FY27 ANNUAL WORK PLAN ANTICIPATED BUDGET FOR CITY OF LOS ANGELES

CRENSHAW CATCH ALL

Bureau of Engineering	\$20,000
Dept. of Transportation	\$20,000
Con Ad	\$20,000
Bureau of Street Lighting	\$20,000
Bureau of Street Services	\$20,000
Subtotal:	\$100,000

REGIONAL CONNECTOR

Bureau of Engineering	\$120,995
Dept. of Transportation	\$89,720
Bureau of Street Services	\$55,331
Bureau of Street Lighting	\$55,650
Con Ad	\$221,332
Subtotal:	\$543,028

PURPLE LINE #1

Bureau of Engineering	\$484,330
Dept. of Transportation	\$250,887
Bureau of Street Services	\$189,553
Bureau of Street Lighting	\$89,593
Con Ad	\$221,332
Subtotal:	\$1,235,695

PURPLE LINE #2

Bureau of Engineering	\$1,067,916
Dept. of Transportation	\$709,077
Bureau of Street Services	\$202,906
Bureau of Street Lighting	\$350,967
Con Ad	\$539,382
LASAN (WPD)	\$44,789
LASAN (WESD)	\$119,314
Cross Coordination	\$110,389
LAPD	\$461,504
Subtotal:	\$3,606,244

ATTACHMENT A (Continued)

PURPLE LINE #3

Bureau of Engineering	\$891,734
Dept. of Transportation	\$1,680,484
Bureau of Street Services	\$109,272
Bureau of Street Lighting	\$364,722
Con Ad	\$539,382
LASAN	\$36,299
LASAN(WPD)	\$46,581
LASAN (WESD)	\$173,190
LASAN (SCWID)	\$36,299
Cross Coordination	\$367,963
LAPD	\$158,021

Subtotal:	\$4,403,947
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DIVISION 20

Bureau of Engineering	\$336,314
Dept. of Transportation	\$92,058
Bureau of Street Services	\$15,005
Bureau of Street Lighting	\$53,940
LASAN	\$31,882
Con Ad	\$473,680

Subtotal:	\$1,002,879
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RAILTO RAIL

Bureau of Engineering	\$84,237
Bureau of Street Services	\$6,522
Con Ad	\$10,000

Subtotal:	\$100,759
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ORANGE LINE (G Line Improvements)

Bureau of Engineering	\$514,642
Dept. of Transportation	\$1,064,628
Bureau of Street Services	\$53,748
Bureau of Street Lighting	\$331,462
Con Ad	\$50,000
Cross Coordination	\$183,256

Subtotal:	\$2,197,736
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ATTACHMENT A (Continued)

ESFVTC

Bureau of Engineering	\$1,405,329
Dept. of Transportation	\$1,500,000
Bureau of Street Services	\$266,589
Bureau of Street Lighting	\$250,000
LASAN (WESD)	\$232,329
LASAN (WPD)	\$76,674
Con Ad	\$1,053,982
Cross Coordination Support	\$368,216
Subtotal:	\$5,153,119

Link US

Bureau of Engineering	\$529,349
Dept. of Transportation	\$706,029
Bureau of Street Services	\$68,474
Bureau of Street Lighting	\$50,000
LASAN	\$10,000
Con Ad	\$19,343
Subtotal:	\$1,383,195

BRIGHTON TO ROXFORD DT

Bureau of Engineering	\$473,677
Dept. of Transportation	\$383,626
Bureau of Street Services	\$26,841
Bureau of Street Lighting	\$20,000
Con Ad	\$124,615
Subtotal:	\$1,028,759

DORAN ST GRADE SEPARATION

Bureau of Engineering	\$329,363
Dept. of Transportation	\$719,443
Bureau of Street Services	\$27,137
Bureau of Street Lighting	\$20,000
LASAN	\$10,000
Con Ad	\$124,615
Subtotal:	\$1,230,558

ATTACHMENT A (Continued)

NOHO TO PASADENA BRT

Bureau of Engineering	\$757,250
Dept. of Transportation	\$883,095
Bureau of Street Lighting	\$288,653
City Planning	\$5,047
Bureau of Street Services	\$342,719
Subtotal:	\$2,276,764

SOUTH EAST GATEWAY

Bureau of Engineering	\$224,367
Dept. of Transportation	\$541,234
Bureau of Street Services	\$25,897
Bureau of Street Lighting	\$120,047
LASAN	\$120,480
Con Ad	\$124,615
City Planning	\$9,998
Subtotal:	\$1,166,638

SEPULVEDA TRANSIT CORRIDOR

Cross Coordination	\$182,550
City Planning	\$20,073
Con Ad	\$124,615
Bureau of Engineering	\$28,406
Subtotal:	\$ 355,644

NEXT GEN BUS SPEED AND RELIABILITY

Bureau of Engineering	\$700,000
Bureau of Street Services	\$141,000
Con Ad	\$663,997
Bureau of Street Lighting	\$112,498
Dept. of Transportation	\$4,737,994
Subtotal:	\$6,355,489

ATTACHMENT A (Continued)

I-405 WIDENING CLOSEOUT

Bureau of Engineering	\$5,000
BSS	\$5,000
Con Ad	\$5,000
BSL	\$5,000
Subtotal:	\$20,000

INTERLOCK

Bureau of Engineering	\$20,000
BSS	\$20,000
LADOT	\$20,000
BSL	\$20,000
Subtotal:	\$80,000

MC3

Bureau of Engineering	\$20,000
BSS	\$20,000
LADOT	\$20,000
BSL	\$20,000
Subtotal:	\$80,000

INDUSTRIAL STREET VACATION

Bureau of Engineering	\$26,790
Subtotal:	\$26,790

VERMONT

Bureau of Engineering	\$753,455
BSS	\$192,018
DOT	\$835,391
BSL	\$288,652
LASAN	\$120,479
City Planning	\$10,033
Con Ad	\$442,665
Cross Coordination	\$183,704
Subtotal:	\$2,826,397

ATTACHMENT A (Continued)

RCN (Pico / Flower)

Bureau of Engineering	\$215,684
BSS	\$168,874
DOT	\$182,686
BSL	\$50,585
City Planning	\$5,030
Con Ad	\$73,777
Cross Coordination	\$19,895
Subtotal:	\$716,531

RCN (Mobility Hubs)

Bureau of Engineering	\$210,257
BSS	\$37,379
DOT	\$13,009
BSL	\$185,185
Con Ad	\$73,777
City Planning	\$5,030
Cross Coordination	\$19,895
Subtotal:	\$544,532

RCN (Bus Corridor)

Bureau of Engineering	\$215,684
BSS	\$80,016
DOT	\$12,578
BSL	\$222,555
Con Ad	\$73,777
City Planning	\$5,030
Cross Coordination	\$19,899
Subtotal:	\$629,539

GRAND TOTAL: \$37,064,243

TOTAL FY26 BUDGET: \$37,064,243



Third Party Administration - City of Los Angeles Annual Work Plan

2026-0460 Construction Committee



Metro

July 2026



Recommendation

Recommendation:

Authorize the Chief Executive Officer to execute the FY27 Annual Work Plan Budget for the City of Los Angeles (Attachment A).

Estimated budget plan: \$37,064,243



Background

The Annual Work Plan (AWP), a function of the new MCA, is a mechanism to obtain City support to accommodate projects through design, construction and maintenance phases.

The AWP shall serve as a commitment from Metro for the reimbursement of services by the City of Los Angeles reviewing jurisdictions for an estimated amount.

The AWP provides a means for the City of Los Angeles to budget its resources on an annualized basis in order to effectively support Metro projects in a timely manner, thereby avoiding delay

Services Provided

During the design, construction and maintenance phases of Metro projects, a significant amount of support is required from local jurisdictions. The following represents some of the general services that are to be provided by the City departments and bureaus for those projects listed in Attachment A:

- Meeting attendance
- Early planning
- Over the shoulder reviews
- Streamlined design plan reviews and approvals
- Value engineering efforts
- Interdepartmental coordination
- Liaison services
- Inspections and close out services

All services are centered to avoid delays and promote cost saving measures to effectively deliver the projects with minimal impacts.